

Concentrix Historical Financial Results
(in thousands)

GAAP Consolidated Income Statement	Unaudited 2019				
	Q1	Q2	Q3	Q4	YTD 2019
Revenue					
Industry vertical:					
Technology and consumer electronics	\$ 316,272	\$ 307,649	\$ 315,463	\$ 343,700	\$ 1,283,084
Communications and media	297,570	289,716	281,848	273,108	1,142,242
Retail, travel and e-commerce	189,089	185,126	190,302	198,749	763,265
Banking, financial services and insurance	162,797	172,160	163,926	177,362	676,246
Healthcare	93,504	86,869	87,655	101,159	369,187
Other	114,039	119,357	121,734	118,758	473,887
Total revenue	1,173,271	1,160,877	1,160,928	1,212,836	4,707,912
Revenue					
Customer experience services	\$ 1,168,769	\$ 1,155,816	\$ 1,155,690	\$ 1,207,052	\$ 4,687,327
Customer experience services to Parent	4,502	5,061	5,238	5,784	20,585
Total revenue	1,173,271	1,160,877	1,160,928	1,212,836	4,707,912
Cost of revenue					
Cost of revenue for customer experience services	737,415	727,327	731,470	750,452	2,946,664
Cost of revenue related to services to Parent	2,547	3,023	3,277	3,953	12,800
Gross profit	433,309	430,527	426,181	458,431	1,748,448
Selling, general and administrative expenses	(372,718)	(368,265)	(356,156)	(356,977)	(1,454,116)
Operating income	60,591	62,262	70,025	101,454	294,332
Interest expense (primarily related to borrowings from Parent) and finance charges, net	(23,099)	(23,702)	(25,169)	(20,226)	(92,196)
Other income (expense), net	(351)	582	2,450	(401)	2,280
Income before income taxes	37,141	39,142	47,306	80,827	204,416
Provision for income taxes	(3,417)	(17,903)	(16,975)	(48,957)	(87,252)
Net income	\$ 33,724	\$ 21,239	\$ 30,331	\$ 31,870	\$ 117,164
Basic earnings per share				\$ 0.62	\$ 2.27
Diluted earnings per share				\$ 0.62	\$ 2.27
Weighted-average common shares outstanding-basic				51,602	51,602
Weighted-average common shares outstanding-diluted				51,602	51,602
Non-GAAP Financial information *	Q1	Q2	Q3	Q4	YTD 2019
Operating income	\$ 60,591	\$ 62,262	\$ 70,025	\$ 101,454	\$ 294,332
Acquisition-related and integration expenses	27,517	15,714	9,200	18,042	70,473
Spin-off related expenses	-	-	-	-	-
Amortization of intangibles	41,863	41,889	41,429	41,425	166,606
Share-based compensation	2,212	2,162	2,106	4,074	10,554
Non-GAAP operating income	\$ 132,183	\$ 122,027	\$ 122,760	\$ 164,995	\$ 541,965
Net income	\$ 33,724	\$ 21,239	\$ 30,331	\$ 31,870	\$ 117,164
Interest expense and finance charges, net	23,099	23,702	25,169	20,226	92,196
Provision for income taxes	3,417	17,903	16,975	48,957	87,252
Other (income) expense	351	(582)	(2,450)	401	(2,280)
Acquisition-related and integration expenses	27,517	15,714	9,200	18,042	70,473
Spin-off related expenses	-	-	-	-	-
Amortization of intangibles	41,863	41,889	41,429	41,425	166,606
Share-based compensation	2,212	2,162	2,106	4,074	10,554
Depreciation (excluding accelerated depreciation included in acquisition-related and integration expenses above)	-	-	-	-	-
Adjusted EBITDA	\$ 168,170	\$ 155,444	\$ 155,482	\$ 197,692	\$ 676,788
Operating margin	5.2%	5.4%	6.0%	8.4%	6.3%
Non-GAAP operating margin	11.3%	10.5%	10.6%	13.6%	11.5%
Adjusted EBITDA margin	14.3%	13.4%	13.4%	16.3%	14.4%
Net income	\$ 33,724	\$ 21,239	\$ 30,331	\$ 31,870	\$ 117,164
Acquisition-related and integration expenses	27,517	15,714	9,200	18,042	70,473
Spin-off related expenses	-	-	-	-	-
Amortization of intangibles	41,863	41,889	41,429	41,425	166,606
Share-based compensation	2,212	2,162	2,106	4,074	10,554
Income taxes related to the above**	(17,471)	(14,482)	(12,712)	(15,855)	(60,118)
U.S. tax reform adjustments	-	-	-	-	-
Non-GAAP net income	\$ 87,845	\$ 66,522	\$ 70,354	\$ 79,958	\$ 304,679
Non-GAAP earnings per share				\$ 1.55	\$ 5.90
Cash Flow Data	Q1	Q2	Q3	Q4	YTD 2019
Net cash provided by operating activities	\$ 109,519	\$ 108,177	\$ 65,192	\$ 166,848	\$ 449,736
Purchases of property and equipment	(19,742)	(23,788)	(27,444)	(40,148)	(111,122)
Free cash flow (a non-GAAP measure)	\$ 89,777	\$ 84,389	\$ 37,748	\$ 126,700	\$ 338,614

GAAP Consolidated Income Statement	Unaudited 2020				
	Q1	Q2	Q3	Q4	YTD 2020
Revenue					
Industry vertical:					
Technology and consumer electronics	\$ 323,913	\$ 327,997	\$ 360,365	\$ 410,542	\$ 1,422,817
Communications and media	263,564	210,684	240,718	239,268	954,234
Retail, travel and e-commerce	198,914	168,380	191,118	237,912	796,324
Banking, financial services and insurance	192,703	168,283	165,961	185,522	712,469
Healthcare	97,325	84,965	91,838	118,558	392,686
Other	112,201	106,053	113,693	109,056	441,004
Total revenue	1,188,619	1,066,363	1,163,694	1,300,858	4,719,534
Revenue					
Customer experience services	\$ 1,183,173	\$ 1,061,711	\$ 1,158,421	\$ 1,295,374	\$ 4,698,679
Customer experience services to Parent	5,446	4,652	5,273	5,484	20,855
Total revenue	1,188,619	1,066,363	1,163,694	1,300,858	4,719,534
Cost of revenue					
Cost of revenue for customer experience services	739,482	718,965	747,809	838,660	3,044,916
Cost of revenue related to services to Parent	3,947	2,228	3,352	3,566	13,093
Gross profit	445,190	345,170	412,533	458,632	1,661,525
Selling, general and administrative expenses	(356,979)	(321,590)	(335,770)	(338,425)	(1,352,764)
Operating income	88,211	23,580	76,763	120,207	308,761
Interest expense (primarily related to borrowings from Parent) and finance charges, net	(17,585)	(12,928)	(9,002)	(8,798)	(48,313)
Other income (expense), net	3,235	1,641	(593)	3,164	7,447
Income before income taxes	73,861	12,293	67,168	114,573	267,895
Provision for income taxes	(21,544)	(9,823)	(21,771)	(49,946)	(103,084)
Net income	\$ 52,317	\$ 2,470	\$ 45,397	\$ 64,627	\$ 164,811
Basic earnings per share				\$ 1.25	\$ 3.19
Diluted earnings per share				\$ 1.25	\$ 3.19
Weighted-average common shares outstanding-basic				51,602	51,602
Weighted-average common shares outstanding-diluted				51,602	51,602
Non-GAAP Financial information *	Q1	Q2	Q3	Q4	YTD 2020
Operating income	\$ 88,211	\$ 23,580	\$ 76,763	\$ 120,207	\$ 308,761
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
Share-based compensation	4,262	3,840	3,929	3,883	15,914
Non-GAAP operating income	\$ 144,803	\$ 67,503	\$ 121,688	\$ 175,429	\$ 509,423
Net income	\$ 52,317	\$ 2,470	\$ 45,397	\$ 64,627	\$ 164,811
Interest expense and finance charges, net	17,585	12,928	9,002	8,798	48,313
Provision for income taxes	21,544	9,823	21,771	49,946	103,084
Other (income) expense	(3,235)	(1,641)	593	(3,164)	(7,447)
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
Share-based compensation	4,262	3,840	3,929	3,883	15,914
Depreciation (excluding accelerated depreciation included in acquisition-related and integration expenses above)	-	-	-	-	-
Adjusted EBITDA	\$ 176,464	\$ 97,664	\$ 153,197	\$ 211,224	\$ 638,549
Operating margin	7.4%	2.2%	6.6%	9.2%	6.5%
Non-GAAP operating margin	12.2%	6.3%	10.5%	13.5%	10.8%
Adjusted EBITDA margin	14.8%	9.2%	13.2%	16.2%	13.5%
Net income	\$ 52,317	\$ 2,470	\$ 45,397	\$ 64,627	\$ 164,811
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
Share-based compensation	4,262	3,840	3,929	3,883	15,914
Income taxes related to the above**	(13,469)	(11,125)	(11,379)	(13,037)	(49,010)
U.S. tax reform adjustments	-	-	-	-	-
Non-GAAP net income	\$ 95,440	\$ 35,268	\$ 78,943	\$ 106,812	\$ 316,463
Non-GAAP earnings per share				\$ 2.07	\$ 6.13
Cash Flow Data	Q1	Q2	Q3	Q4	YTD 2020
Net cash provided by operating activities	\$ 54,886	\$ 242,315	\$ 91,376	\$ 119,037	\$ 507,614
Purchases of property and equipment	(43,888)	(25,353)	(37,008)	(65,083)	(171,332)
Free cash flow (a non-GAAP measure)	\$ 10,998	\$ 216,962	\$ 54,368	\$ 53,954	\$ 336,282

Balance sheet data	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED COMBINED BALANCE SHEET DATA								
Cash and cash equivalents				\$ 79,656	\$ 83,620	\$ 94,749	\$ 93,341	\$ 152,656
Working capital				(1,398,702)	(1,458,411)	(1,404,146)	(1,299,933)	414,714
Total assets				4,653,755	5,159,793	4,955,479	5,119,394	5,177,556
Borrowings, current								33,750
Total Parent equity				\$ 1,469,841	\$ 1,509,122	\$ 1,492,540	\$ 1,627,967	\$ 2,302,085
COMBINED BALANCE SHEET								
ASSETS								
Current assets:								
Cash and cash equivalents				\$ 79,656	\$ 83,620	\$ 94,749	\$ 93,341	\$ 152,656
Accounts receivable, net				931,082	968,750	868,831	940,091	1,079,065
Receivable from SYNEXX Corporation ("Parent")				17,495	19,191	20,725	26,298	2,416
Loan receivable from Parent				67,676	58,456	62,183	73,425	-
Other current assets				203,696	200,266	174,114	233,029	189,239
Total current assets				1,299,605	1,330,283	1,220,602	1,366,184	1,423,376
Property and equipment, net				411,465	416,675	403,720	423,438	451,649
Goodwill				1,829,328	1,825,113	1,815,692	1,835,526	1,836,050
Intangible assets, net				934,123	895,743	855,810	835,776	798,959
Deferred tax assets				64,879	71,998	71,773	72,956	47,423
Other assets				114,355	619,981	587,882	585,514	620,099
Total assets				\$ 4,653,755	\$ 5,159,793	\$ 4,955,479	\$ 5,119,394	\$ 5,177,556
LIABILITIES AND EQUITY								
Current liabilities:								
Accounts payable				106,147	106,252	102,610	117,796	140,575
Current portion of long-term debt				-	-	-	-	33,750
Payable to Parent				85,898	86,204	83,248	87,016	22,825
Loans payable to Parent				1,981,385	1,964,146	1,768,449	1,721,207	-
Accrued compensation and benefits				319,065	273,104	304,727	360,609	419,715
Other accrued liabilities				189,605	320,636	358,384	354,040	371,072
Income taxes payable				16,209	38,252	7,530	25,449	20,725
Total current liabilities				2,698,308	2,788,694	2,624,748	2,666,117	1,008,662
Long-term debt				-	-	-	-	1,111,362
Other long-term liabilities				297,034	675,813	655,957	653,567	601,887
Deferred tax liabilities				188,572	186,164	182,234	171,743	153,560
Total liabilities				3,183,914	3,650,671	3,462,939	3,491,427	2,875,471
Commitments and contingencies								
Equity:								
Parent company investment				1,519,923	1,578,184	1,588,748	1,638,529	2,305,899
Accumulated other comprehensive income (loss)				(50,082)	(69,062)	(96,208)	(10,562)	(3,814)
Total Parent equity				1,469,841	1,509,122	1,492,540	1,627,967	2,302,085
Total liabilities and equity				\$ 4,653,755	\$ 5,159,793	\$ 4,955,479	\$ 5,119,394	\$ 5,177,556

* 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 and share-based compensation.

*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.

*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.

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 measure 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.