

Concentrix Historical Financial Results
(in thousands)

GAAP Consolidated Income Statement	Unaudited 2021					Audited	Unaudited 2022				
	Q1	Q2	Q3	Q4	YTD 2021		Q1	Q2	Q3	Q4	YTD 2022
Revenue											
Industry vertical:											
Technology and consumer electronics	\$ 412,818	\$ 417,277	\$ 448,104	\$ 481,004	\$1,759,203		\$ 470,199	\$ 466,754			\$ 936,953
Retail, travel and ecommerce	239,001	231,966	241,662	272,921	985,550		284,917	295,025			579,942
Communications and media	248,790	254,860	256,461	245,172	1,005,283		260,643	273,817			534,460
Banking, financial services and insurance	209,084	228,816	210,730	213,403	862,033		243,246	255,583			498,829
Healthcare	125,224	115,418	113,749	135,464	489,855		150,136	148,252			298,388
Other	118,361	121,541	126,545	118,644	485,091		126,911	128,670			255,581
Total revenue	\$1,353,278	\$1,369,878	\$1,397,251	\$1,466,608	\$5,587,015		\$1,536,052	\$1,568,101			\$3,104,153
Revenue	\$1,353,278	\$1,369,878	\$1,397,251	\$1,466,608	\$5,587,015		\$1,536,052	\$1,568,101			3,104,153
Cost of revenue	867,228	887,149	915,910	947,240	3,617,527		997,918	1,009,185			2,007,103
Gross profit	486,050	482,729	481,341	519,368	1,969,488		538,134	558,916			1,097,050
Selling, general and administrative expenses	351,161	354,505	329,962	361,463	1,397,091		390,389	402,004			792,393
Operating income	134,889	128,224	151,379	157,905	572,397		147,745	156,912			304,657
Interest expense and finance charges, net	7,703	6,745	4,868	3,730	23,046		8,770	12,973			21,743
Other (income) expense, net	3,803	(3,546)	(5,858)	(744)	(6,345)		(7,616)	(2,545)			(10,161)
Income before income taxes	123,383	125,025	152,369	154,919	555,696		146,591	146,484			293,075
Provision for income taxes	34,572	42,121	42,615	30,811	150,119		36,052	33,451			69,503
Net income before non-controlling interest	\$ 88,811	\$ 82,904	\$ 109,754	\$ 124,108	\$ 405,577		\$ 110,539	\$ 113,033			\$ 223,572
Less: Net income (loss) attributable to non-controlling interest	—	—	—	—	—		266	(109)			157
Net income attributable to Concentrix Corporation	\$ 88,811	\$ 82,904	\$ 109,754	\$ 124,108	\$ 405,577		\$ 110,273	\$ 113,142			\$ 223,415
Basic earnings per common share	\$ 1.72	\$ 1.59	\$ 2.10	\$ 2.37	\$ 7.78		\$ 2.11	\$ 2.16			\$ 4.27
Diluted earnings per common share	\$ 1.69	\$ 1.57	\$ 2.08	\$ 2.35	\$ 7.70		\$ 2.09	\$ 2.14			\$ 4.23

	Unaudited 2021					Unaudited 2022				
Non-GAAP Financial information *	Q1	Q2	Q3	Q4	YTD 2021	Q1	Q2	Q3	Q4	YTD 2022
Revenue	\$1,353,278	\$1,369,878	\$1,397,251	\$1,466,608	\$5,587,015	\$1,536,052	\$1,568,101			\$3,104,153
Foreign currency translation (a)	(25,714)	(44,766)	(22,530)	(270)	(93,280)	25,610	36,670			62,280
Revenue in constant currency	\$1,327,564	\$1,325,112	\$1,374,721	\$1,466,338	\$5,493,735	\$1,561,662	\$1,604,771			\$3,166,433
Effect of excluding revenue of acquired and divested businesses	(15,947)	(16,629)	(5,335)	—	(37,911)	(83,196)	(123,963)			(207,159)
Revenue in adjusted constancy currency	\$1,311,617	\$1,308,483	\$1,369,386	\$1,466,338	\$5,455,824	\$1,478,466	\$1,480,808			\$2,959,274
<i>(a) Represents foreign currency translation impact in comparison to applicable prior year period</i>										
Operating income	\$ 134,889	\$ 128,224	\$ 151,379	\$ 157,905	\$ 572,397	\$ 147,745	\$ 156,912			\$ 304,657
Acquisition-related and integration expenses	—	—	—	825	825	922	1,726			2,648
Amortization of intangibles	34,601	34,597	33,997	33,744	136,939	38,056	41,469			79,525
Share-based compensation	7,118	9,283	9,457	10,904	36,762	15,169	12,647			27,816
Gain on divestitures and related transaction costs	—	—	(13,197)	—	(13,197)	—	—			—
Non-GAAP operating income	\$ 176,608	\$ 172,104	\$ 181,636	\$ 203,378	\$ 733,726	\$ 201,892	\$ 212,754			\$ 414,646
Net income	\$ 88,811	\$ 82,904	\$ 109,754	\$ 124,108	\$ 405,577	\$ 110,273	\$ 113,142			223,415
Net income attributable to non-controlling interest	—	—	—	—	—	266	(109)			157
Interest expense and finance charges, net	7,703	6,745	4,868	3,730	23,046	8,770	12,973			21,743
Provision for income taxes	34,572	42,121	42,615	30,811	150,119	36,052	33,451			69,503
Other (income) expense, net	3,803	(3,546)	(5,858)	(744)	(6,345)	(7,616)	(2,545)			(10,161)
Acquisition-related and integration expenses	—	—	—	825	825	922	1,726			2,648
Gain on divestitures and related transaction costs	—	—	(13,197)	—	(13,197)	—	—			—
Amortization of intangibles	34,601	34,597	33,997	33,744	136,939	38,056	41,469			79,525
Share-based compensation	7,118	9,283	9,457	10,904	36,762	15,169	12,647			27,816
Depreciation	35,999	36,226	33,146	34,865	140,236	36,037	37,137			73,174
Adjusted EBITDA	\$ 212,607	\$ 208,330	\$ 214,782	\$ 238,243	\$ 873,962	\$ 237,929	\$ 249,891			\$ 487,820
Operating margin	10.0 %	9.4 %	10.8 %	10.8 %	10.2 %	9.6 %	10.0 %			9.8 %
Non-GAAP operating margin	13.1 %	12.6 %	13.0 %	13.9 %	13.1 %	13.1 %	13.6 %			13.4 %
Adjusted EBITDA margin	15.7 %	15.2 %	15.4 %	16.2 %	15.6 %	15.5 %	15.9 %			15.7 %

	Unaudited 2021					Unaudited 2022				
	Q1	Q2	Q3	Q4	YTD 2021	Q1	Q2	Q3	Q4	YTD 2022
Non-GAAP Financial information *										
Net income	\$ 88,811	\$ 82,904	\$ 109,754	\$ 124,108	\$ 405,577	\$ 110,273	\$ 113,142			223,415
Acquisition-related and integration expenses	—	—	—	825	825	922	1,726			2,648
Amortization of intangibles	34,601	34,597	33,997	33,744	136,939	38,056	41,469			79,525
Share-based compensation	7,118	9,283	9,457	10,904	36,762	15,169	12,647			27,816
Gain on divestitures and related transaction costs	—	—	(13,197)	—	(13,197)	—	—			—
Income taxes related to the above**	(10,567)	(1,860)	(8,315)	(11,549)	(32,291)	(13,753)	(14,180)			(27,933)
Non-GAAP net income	\$ 119,963	\$ 124,924	\$ 131,696	\$ 158,032	\$ 534,615	\$ 150,667	\$ 154,804			\$ 305,471
Net income	\$ 88,811	\$ 82,904	109,754	124,108	\$ 405,577	\$ 110,273	113,142			\$ 223,415
Less: net income allocated to participating securities	(1,047)	(1,254)	(1,649)	(1,790)	(5,724)	(1,542)	(1,700)			(3,243)
Net income attributable to common stockholders	87,764	81,650	108,105	122,318	399,853	108,731	111,442			220,172
Acquisition-related and integration expenses allocated to common stockholders	—	—	—	813	813	909	1,700			2,610
Amortization of intangibles allocated to common stockholders	34,193	34,074	33,486	33,257	135,006	37,524	40,846			78,371
Share-based compensation allocated to common stockholders	7,034	9,143	9,315	10,747	36,243	14,957	12,457			27,412
Gain on divestitures and related transaction costs allocated to common stockholders	—	—	(12,999)	—	(13,011)	—	—			—
Income taxes related to the above allocated to common stockholders**	(10,442)	(1,832)	(8,190)	(11,382)	(31,835)	(13,561)	(13,967)			(27,528)
Non-GAAP net income attributable to common stockholders	\$ 118,549	\$ 123,035	\$ 129,717	\$ 155,753	\$ 527,069	\$ 148,560	\$ 152,478			\$ 301,037
Non-GAAP diluted earnings per common share	\$ 2.29	\$ 2.37	\$ 2.49	\$ 2.99	\$ 10.15	\$ 2.85	\$ 2.93			\$ 5.79
Cash Flow Data	Q1	Q2	Q3	Q4	YTD 2021	Q1	Q2	Q3	Q4	YTD 2022
Net cash provided by operating activities	\$ 35,884	\$ 203,231	\$ 93,010	\$ 182,053	\$ 514,178	\$ 45,015	\$ 167,469			\$ 212,484
Purchases of property and equipment	(41,950)	(28,808)	(42,111)	(36,210)	(149,079)	(45,393)	(25,773)			(71,166)
Free cash flow (a non-GAAP measure)	\$ (6,066)	\$ 174,423	\$ 50,899	\$ 145,843	\$ 365,099	\$ (378)	\$ 141,696			\$ 141,318

	Unaudited 2021			
Balance sheet data	Q1	Q2	Q3	Q4
SELECTED CONSOLIDATED BALANCE SHEET DATA				
Cash and cash equivalents	\$ 117,576	\$ 131,249	\$ 154,193	\$ 182,038
Working capital	529,728	587,259	572,034	574,851
Total assets	5,120,849	5,102,240	5,009,440	5,046,367
Borrowings, current	—	—	—	—
Total equity	\$2,389,278	\$2,529,768	\$2,565,755	\$2,620,255

	Audited			
CONSOLIDATED BALANCE SHEET				
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 117,576	\$ 131,249	\$ 154,193	\$ 182,038
Accounts receivable, net	1,129,008	1,089,387	1,131,416	1,207,953
Assets held for sale	—	83,010	—	—
Other current assets	160,720	173,226	175,217	153,074
Total current assets	1,407,304	1,476,872	1,460,826	1,543,065
Property and equipment, net	445,286	399,422	397,841	407,144
Goodwill	1,837,921	1,837,900	1,822,642	1,813,502
Intangible assets, net	769,149	736,877	695,285	655,528
Deferred tax assets	49,480	41,582	43,007	48,413
Other assets	611,709	609,587	589,839	578,715
Total assets	\$5,120,849	\$5,102,240	\$5,009,440	\$5,046,367

LIABILITIES, REDEEMABLE NON-CONTROLLING INTEREST AND EQUITY				
Current liabilities:				
Accounts payable	\$ 101,215	\$ 109,506	78,618	\$ 129,359
Current portion of long-term debt	—	—	—	—
Accrued compensation and benefits	365,272	363,948	418,329	453,434
Other accrued liabilities	373,180	356,665	342,908	351,642
Income taxes payable	37,909	29,141	48,937	33,779
Liabilities held for sale	—	30,353	—	—
Total current liabilities	877,576	889,613	888,792	968,214

	Unaudited 2022			
Balance sheet data	Q1	Q2	Q3	Q4
Cash and cash equivalents	\$ 142,157	\$ 163,364		
Working capital	594,564	605,961		
Total assets	6,716,788	6,612,652		
Borrowings, current	78,750	105,000		
Total equity	\$2,731,999	\$2,723,945		

ASSETS				
Current assets:				
Cash and cash equivalents	\$ 142,157	\$ 163,364		
Accounts receivable, net	1,324,738	1,311,715		
Assets held for sale	—	—		
Other current assets	163,945	153,904		
Total current assets	1,630,840	1,628,983		
Property and equipment, net	416,874	401,716		
Goodwill	2,942,439	2,925,679		
Intangible assets, net	1,085,942	1,037,987		
Deferred tax assets	53,474	53,104		
Other assets	587,219	565,183		
Total assets	\$6,716,788	\$6,612,652		

LIABILITIES, REDEEMABLE NON-CONTROLLING INTEREST AND EQUITY				
Current liabilities:				
Accounts payable	\$ 118,974	\$ 110,931		
Current portion of long-term debt	78,750	105,000		
Accrued compensation and benefits	414,971	437,516		
Other accrued liabilities	376,877	346,204		
Income taxes payable	46,704	23,371		
Liabilities held for sale	—	—		
Total current liabilities	1,036,276	1,023,022		

	Unaudited 2021				Audited
	Q1	Q2	Q3	Q4	
Long-term debt, net	1,113,218	959,158	865,837	802,017	
Other long-term liabilities	598,314	595,619	579,746	546,410	
Deferred tax liabilities	142,463	128,082	109,310	109,471	
Total liabilities	2,731,571	2,572,472	2,443,685	2,426,112	
Redeemable non-controlling interest	—	—	—	—	
Stockholders' equity:					
Preferred stock	—	—	—	—	
Common stock	5	5	5	5	
Additional paid-in capital	2,314,996	2,327,025	2,338,108	2,355,767	
Treasury stock	(409)	(527)	(13,964)	(57,486)	
Retained earnings	88,811	171,715	281,469	392,495	
Accumulated other comprehensive loss	(14,125)	31,550	(39,863)	(70,526)	
Total stockholders' equity	2,389,278	2,529,768	2,565,755	2,620,255	
Total liabilities, redeemable non-controlling interest, and stockholders' equity	\$5,120,849	\$5,102,240	\$5,009,440	\$5,046,367	

Unaudited 2022			
Q1	Q2	Q3	Q4
2,266,646	2,197,876		
519,490	501,579		
160,111	164,073		
3,982,523	3,886,550		
2,266	2,157		
—	—		
5	5		
2,389,403	2,404,281		
(60,040)	(118,248)		
489,656	589,740		
(87,025)	(151,833)		
2,731,999	2,723,945		
\$6,716,788	\$6,612,652		

* 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, 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.
- Non-GAAP net income, which is net income excluding the tax effected impact of acquisition-related and integration expenses, including related restructuring costs, amortization of intangible assets, and share-based compensation.
- 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, amortization of intangible assets, and share-based compensation.
- Revenue in constant currency, which is revenue adjusted for the translation effect of foreign currencies so that certain financial results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of our business performance. Revenue in constant currency is calculated by translating the revenue of each fiscal year in the billing currency to U.S. dollars using the comparable prior year's currency conversion rate. Generally, when the U.S. dollar either strengthens or weakens against other currencies, our revenue growth at constant currency rates or adjusting for currency will be higher or lower than our revenue growth reported at actual exchange rates.
- Revenue in adjusted constant currency, which is constant currency revenue excluding revenue for businesses acquired or divested since the beginning of the prior year period so that revenue growth can be viewed without the impact of acquisitions or divestitures, thereby facilitating period-to-period comparisons of our business performance.

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.