

CLEARWATER

ANALYTICS



Investor Presentation
November 6, 2024



Safe Harbor

This presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, technology developments, financing and investment plans, dividend policy, competitive position, industry, economic and regulatory environment, potential growth opportunities and the effects of competition. Forward-looking statements include statements that are not historical facts and can be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "will," "would" or similar expressions and the negatives of those terms, but are not the exclusive means of identifying such statements.

Forward-looking statements involve known and unknown risks, uncertainties, and other factors, many of which are beyond Clearwater Analytics' control, that may cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks and uncertainties may cause actual results to differ materially from Clearwater Analytics' current expectations and include, but are not limited to, risks that the Company may not be able to satisfy the conditions to the effectiveness of the Amendment (as defined below in this presentation) and the consummation of the TRA Buyout (as defined below in this presentation), risks related to the disruption of management's attention from the Company's ongoing business operations due to the TRA Buyout, risks related to the significant transaction costs to be paid in connection with the TRA Buyout and their impact on the Company's financial condition, risks of legal proceedings that may arise as a result of the TRA Buyout, changes in applicable laws or fluctuations in the Company's taxable income that could impact the Company's ability to realize the anticipated benefits from the TRA Buyout, our ability to keep pace with rapid technological change and market developments, including artificial intelligence, competitors in our industry, the possibility that market volatility, a downturn in economic conditions or other factors may cause negative trends or fluctuations in the value of the assets on our platform, our ability to manage growth, our ability to attract and retain skilled employees, the possibility that our solutions fail to perform properly, disruptions and failures in our and third parties' computer equipment, cloud-based services, electronic delivery systems, networks and telecommunications systems and infrastructure, the failure to protect our, our customers' and/or our vendors' confidential information and/or intellectual property, claims of infringement of others' intellectual property, as well as other risks and uncertainties detailed in Clearwater Analytics' periodic public filings with the U.S. Securities and Exchange Commission (the "SEC"), including but not limited to those discussed under "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed on February 29, 2024, in the Proxy Statement (as defined below) to be filed by the Company in connection with the TRA Buyout, and in other periodic reports filed by Clearwater Analytics with the SEC. These filings are available at www.sec.gov and on our website. Given these uncertainties, you should not place undue reliance on forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of the release of this investor presentation. and should not be relied upon as representing Clearwater Analytics' expectations or beliefs as of any date subsequent to the time they are made. Clearwater Analytics does not undertake to and specifically declines any obligation to update any forward-looking statements that may be made from time to time by or on behalf of Clearwater Analytics.

This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to market size and growth and other data about the Company's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither the Company nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our 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.

In light of the foregoing, you are urged not to rely on any forward-looking statement or third-party data in reaching any conclusion or making any investment decision about any securities of the Company.

Additional Information and Where to Find It

This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. In connection with the agreement to terminate its Tax Receivable Agreement described above (the “Amendment”) and the TRA Buyout (as defined in the preliminary proxy statement filed on November 6, 2024, in relation to the Amendment, the “Proxy Statement”), the Company will file relevant materials with the SEC, including the Proxy Statement. This communication is not a substitute for the Proxy Statement or any other document that the Company may file with the SEC or send to its shareholders in connection with the Amendment and the TRA Buyout. **THE COMPANY URGES YOU TO READ THE PROXY STATEMENT AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY AS THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE COMPANY, THE AMENDMENT AND THE TRA BUYOUT AND RELATED MATTERS.** Investors will be able to obtain a free copy of the Proxy Statement and other related documents (when available) filed by the Company with the SEC at the website maintained by the SEC at www.sec.gov. Investors also will be able to obtain a free copy of the Proxy Statement and other documents (when available) filed by the Company with the SEC by accessing the Investors section of the Company’s website at <https://investors.clearwateranalytics.com/overview/default.aspx>.

Participants in the Solicitation

The Company and certain of its directors, executive officers and employees may be considered to be participants in the solicitation of proxies from the Company’s shareholders in connection with the Amendment and the TRA Buyout. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of the shareholders of the Company in connection with the TRA Buyout, including a description of their respective direct or indirect interests, by security holdings or otherwise, is included in the Proxy Statement. You may also find additional information about the Company’s directors and executive officers in the Company’s definitive proxy statement for its 2024 annual meeting of shareholders, which was filed with the SEC on April 29, 2024, or in its Annual Report on Form 10-K for the year ended December 31, 2023, which was filed with the SEC on February 29, 2024, and in other documents filed by the Company with the SEC. You can obtain free copies of these documents from the Company using the contact information above.

Financial Information and NPS

Net Promoter Score ("NPS") refers to our net promoter score, which can range from a low of negative 100 to a high of positive 100, that we use to gauge customer satisfaction. NPS benchmarks can vary significantly by industry, but a score greater than zero represents a company having more promoters than detractors. Our methodology of calculating NPS reflects responses from customers who purchase investment accounting and reporting, performance measurement, compliance monitoring and risk analytics solutions from us and choose to respond to the survey question. In particular, it reflects responses given in the second quarter of 2024 and reflects a sample size of 140 responses over that period. NPS gives no weight to customers who decline to answer the survey question.

This presentation contains certain non-GAAP measures, including non-GAAP gross margin, adjusted EBITDA, adjusted EBITDA margin, non-GAAP R&D, non-GAAP S&M and non-GAAP G&A.

The non-GAAP measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similar measures presented by other companies. However, we believe that this non-GAAP information is useful as an additional means for investors to evaluate our operating performance, when reviewed in conjunction with our GAAP financial statements. These measures should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP, and because these amounts are not determined in accordance with GAAP, they should not be used exclusively in evaluating our business and operations. In addition, undue reliance should not be placed upon non-GAAP or operating information because this information is neither standardized across companies nor subjected to the same control activities and audit procedures that produce our GAAP financial results.

Our non-GAAP statement of operations measures, including non-GAAP gross profit, non-GAAP gross margin, non-GAAP income from operations, adjusted EBITDA, adjusted EBITDA margin, non-GAAP net income, non-GAAP diluted earnings per share, non-GAAP R&D, non-GAAP S&M, non-GAAP G&A and free cash flow, are adjusted to exclude the impact of certain costs, expenses, gains and losses and other specified items that management believes are not indicative of our ongoing operations. These adjusted measures exclude the impact of share-based compensation and eliminate potential differences in results of operations between periods caused by factors such as financing and capital structures, taxation positions or regimes, restructuring, impairment and other charges.

A reconciliation of certain of the non-GAAP measures is presented in the Appendix to this presentation and in the Current Report on Form 8-K filed in reference to our earnings for the third quarter of 2024.

Up-C Structure and TRA

The information presented in the Appendix regarding the Company's corporate and share structure and the tax receivable agreement (the "TRA") is summary information only, does not purport to be complete and should be read together with the Company's description of these matters in the Definitive Proxy Statement filed on April 29, 2024, the Company's Annual Report on Form 10-K for the year ended December 31, 2023 filed on February 29, 2024, including the risk factors thereto, in the proxy statement filed on November 6, 2024 in connection with the agreement to terminate the Company's Tax Receivable Agreement, and in other periodic reports filed by Clearwater Analytics with the Securities and Exchange Commission, including the exhibits thereto (the "SEC Disclosure Documents"). In the event of any conflict between the information presented herein and the SEC Disclosure Documents, you should rely on the content contained in the SEC Disclosure Documents.

Looking Further Ahead: Expanding Clearwater's Mission



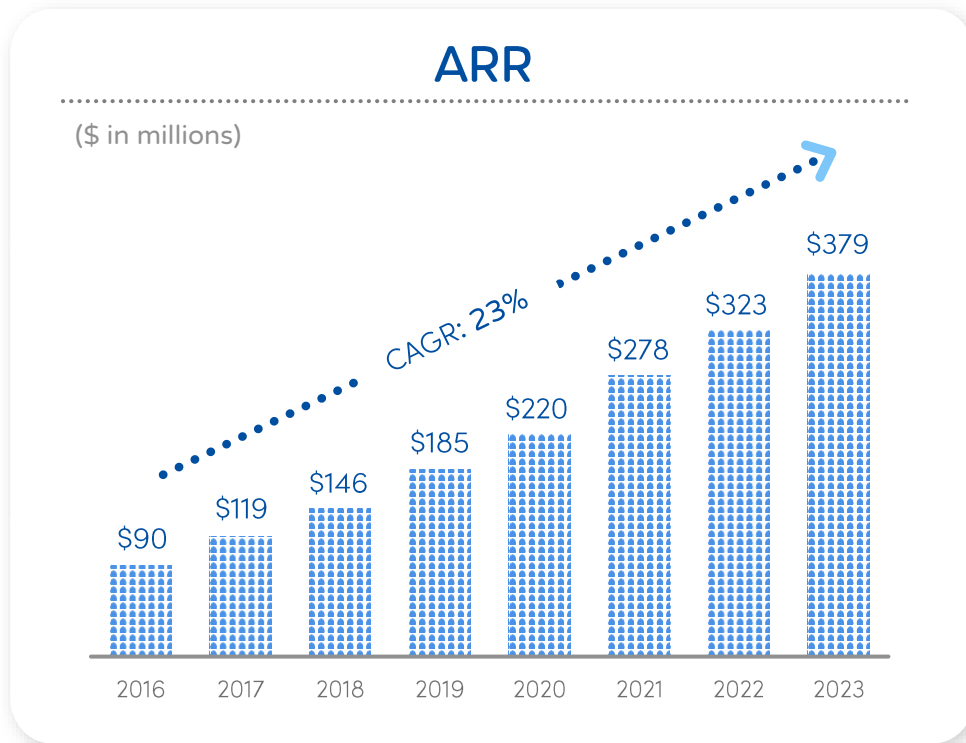
Where we started...

Be the world's most **trusted** and **comprehensive** technology platform for investment **accounting and analytics**...and eventually revolutionize the world of investing.

Clearwater Vision for the Future


Be the world's most **trusted** and **comprehensive** technology platform that **simplifies** **the entire investment lifecycle**... and eventually revolutionize the world of investing.


Clearwater at a Glance




Durable & Reliable Growth

Powerful business model

- 

100% SaaS¹
Revenue model
- 

33%
Q3 2024 EBITDA margin
- 

50
Rule of 50 company²

Clients love us

- 

60+
NPS
- 

99%
Gross revenue retention
- 

114%
Net revenue retention

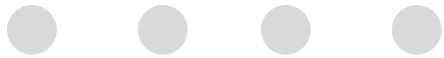
Note: Except for NPS and otherwise indicated, all metrics as of September 30, 2024.

¹ Not including JUMP Technology acquisition that closed on November 30, 2022.

² Rule of 50 calculated using LTM revenue growth % plus EBITDA margin % from most recent quarter, which is 54% for Q3 2024.

³ Not including Wilshire acquisition that closed on April 22, 2024.

Company Overview



Our Clients Face Increasing Challenges...

Instruments for Growth



Growing importance of alternative assets



Increasing global investment portfolios



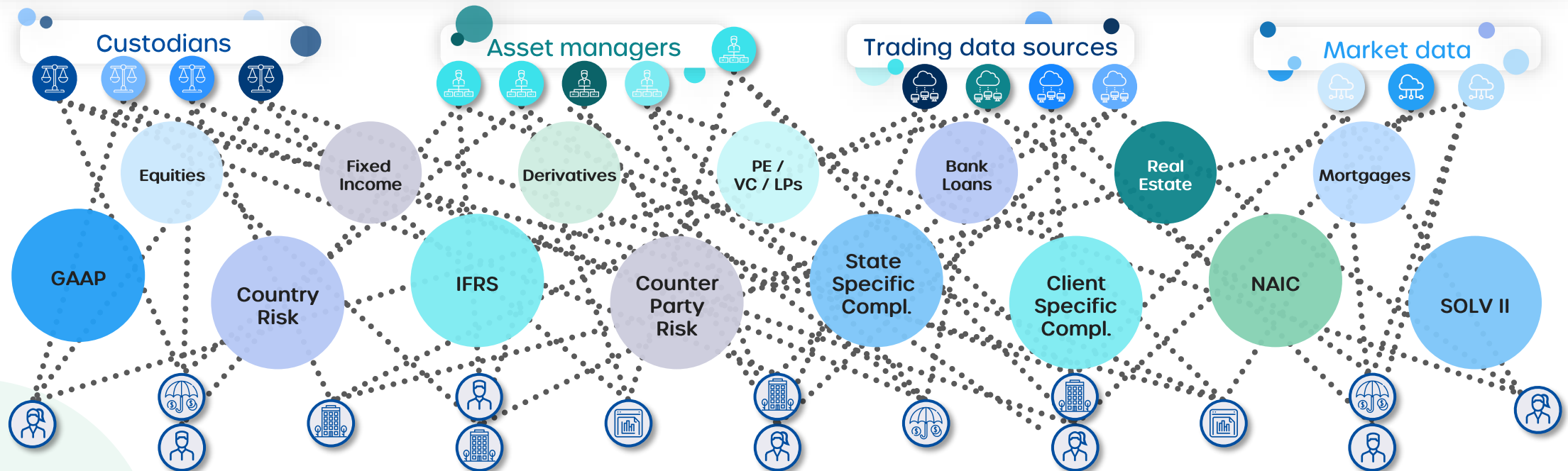
Rising demand for risk management and transparency



High regulatory complexity



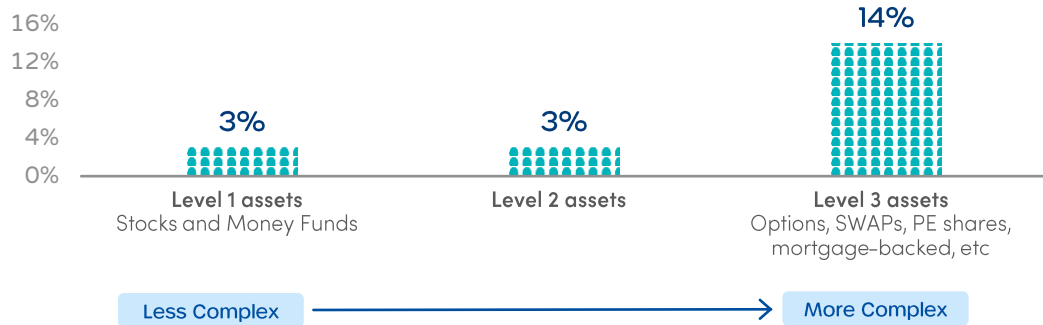
Need for radically simplified infrastructure



.....Asset managers and owners across functions.....

...And the Challenges are Dramatic

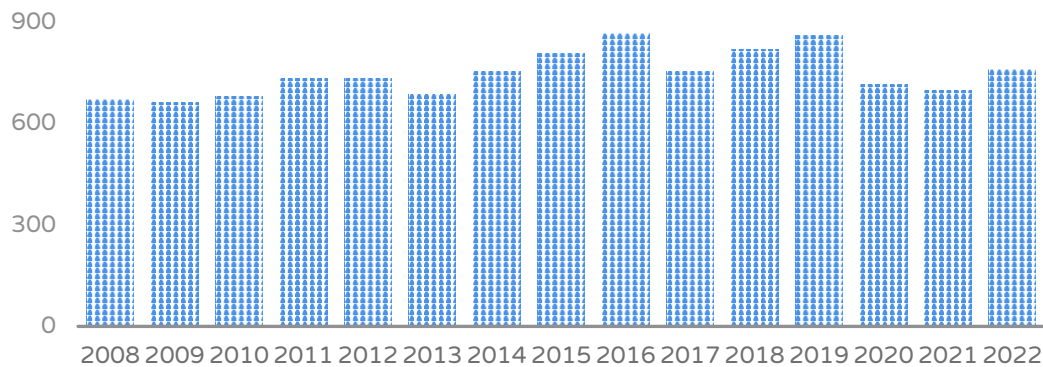
Corporate, Insurance, IAM asset complexity growth



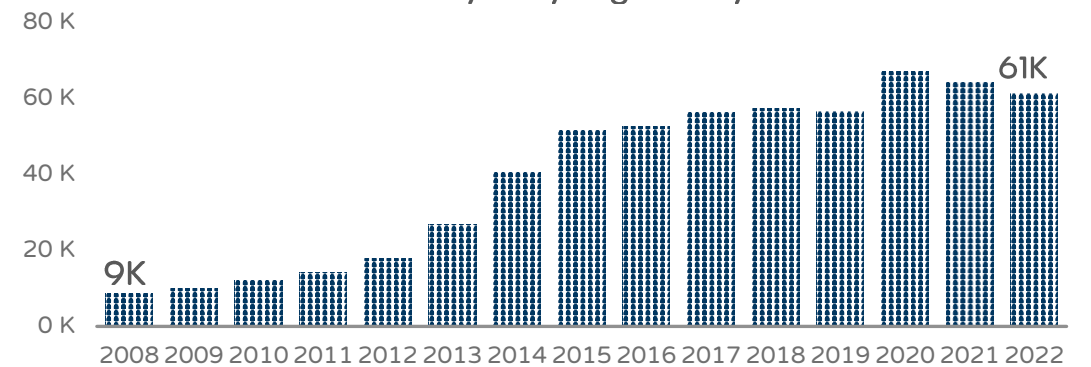
Key regulations in the asset management industry (2009-present)



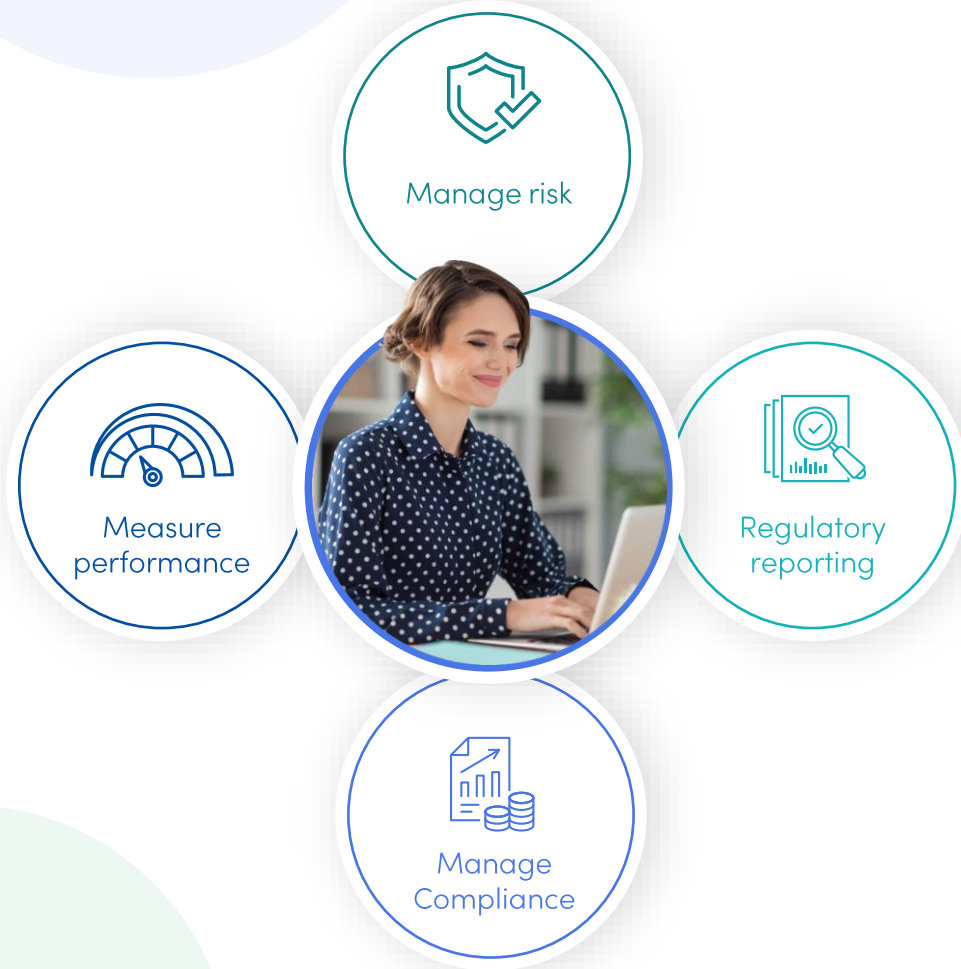
SEC enforcement actions



Global total yearly regulatory alerts



And Many Critical Business Functions Need to Be Addressed...



...Which Requires:

1. A comprehensive view of the portfolio that is **multi-asset, multi-basis, and multi-currency**
2. **100% visibility:** Analysis on 95% of the portfolio is inadequate – **the opaque final 5%** can have disproportionate risk
3. **Daily and on-demand availability:** once a quarter, month, or week is inadequate

Why Is It So Hard to Get a Comprehensive View?

60+ Different asset classes



40+ Different currencies



10+ Accounting regimes & bases

- GAAP LLOYDS IFRS
- DAP GASB SOLV2 PRCG
- STAT PERF TAX

1,000s
of individual tax lots

How Have Companies Addressed These Challenges:



Clients bought asset-specific and region-specific solutions



...built massive function-specific data warehouses



...hired armies of people



...but manual processes are slow, error prone, rigid, and expensive

Patchwork of legacy technologies is an increasingly untenable solution

We Radically Simplify Investment Accounting and Analytics

Our Single Platform Replaces Many Legacy Systems, Processes and Warehouses

Instead of...

Each client ingesting and aggregating their own feeds

Each client reconciling their own data

Separate accounting engines for each asset class and each country

Different systems for different business needs



...we deliver

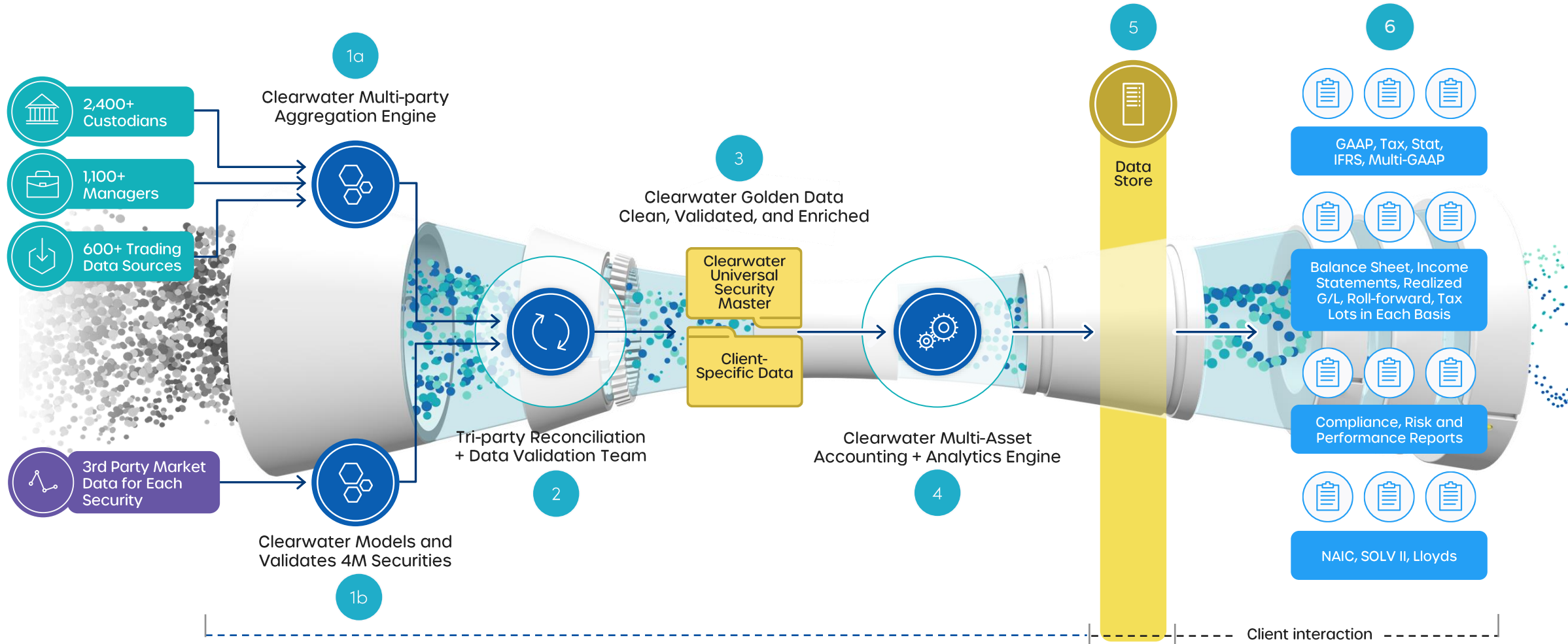
We ingest and aggregate all data feeds **once** for all clients

We reconcile all the data **once** and then use it for all clients

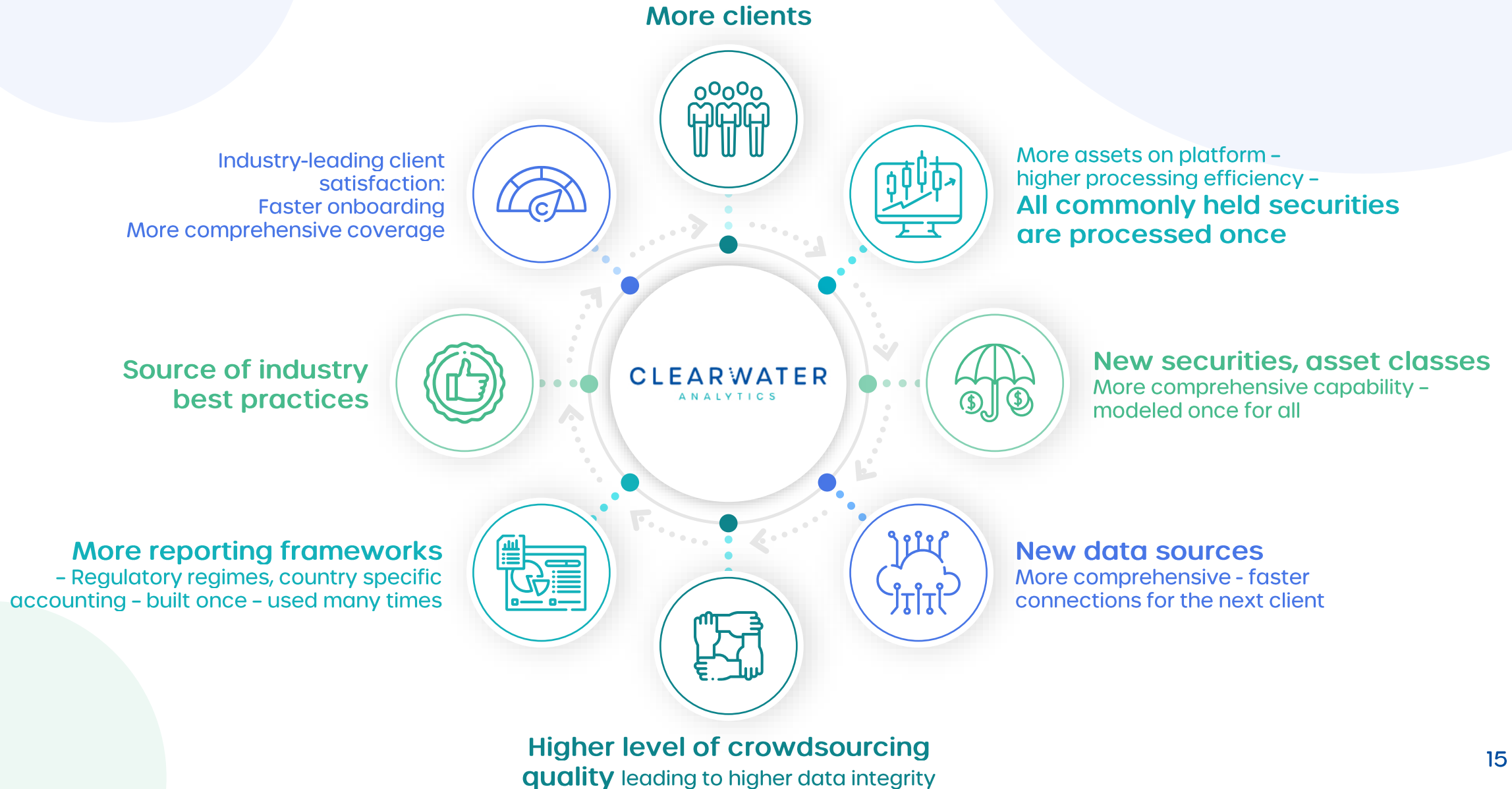
One accounting engine for all asset classes and countries

One platform for risk, regulatory, performance and all business functions

How Our Platform Works



We Benefit From Powerful Network Effects



Delighting Our Clients

Clearwater's differentiated client success

~80%

Competitive
win rate¹

60+

NPS

Legacy competitors

Providers that rely largely on outdated technology architectures and significant manual effort



STATE STREET

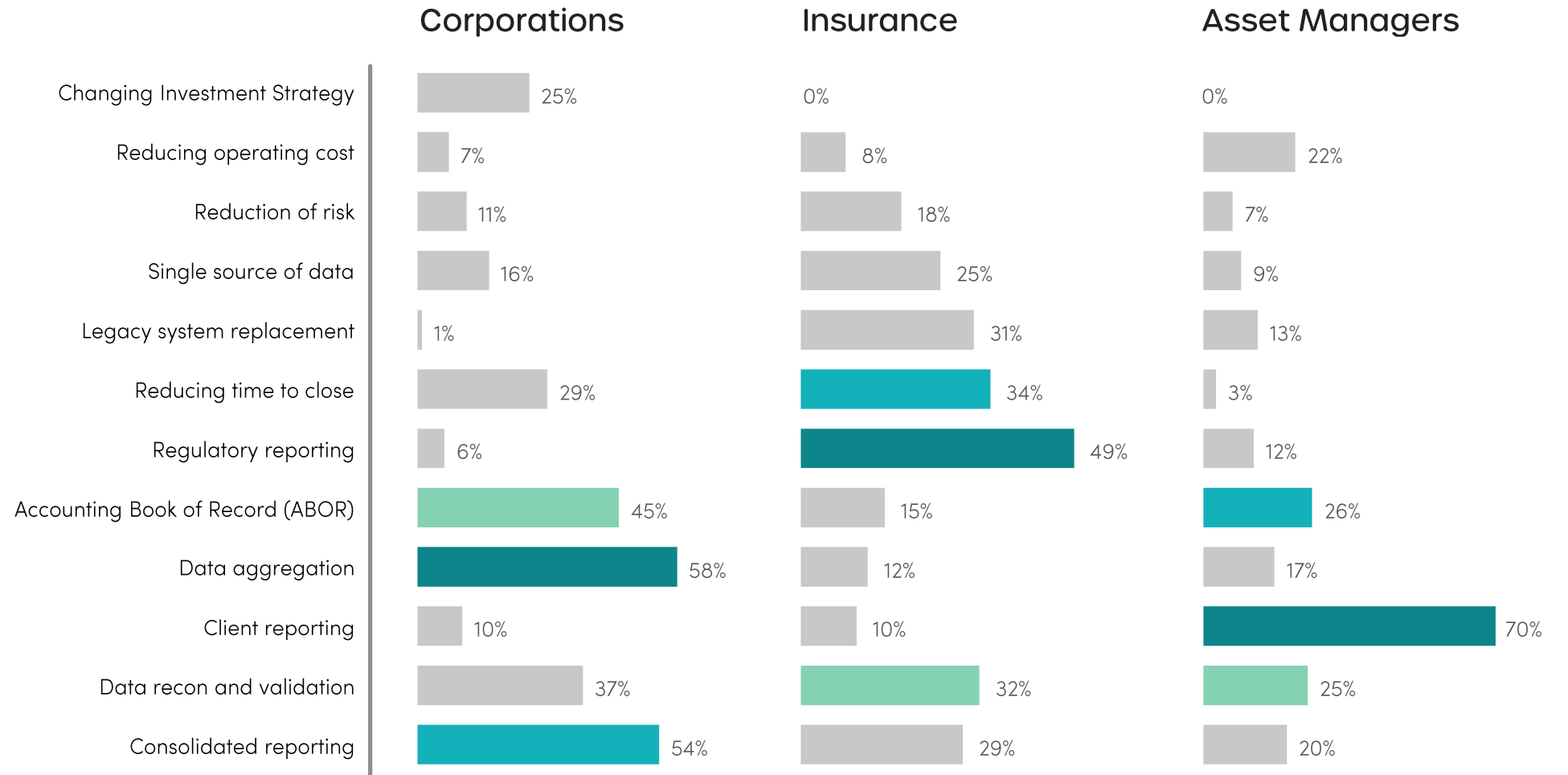


BNY MELLON



¹Based on deals over the past four years that reached the proposal stage.

Problems We Solve



Represents the % of opportunities that list the problem as a reason to come to Clearwater Analytics

A History of Delivering Scale and Growth

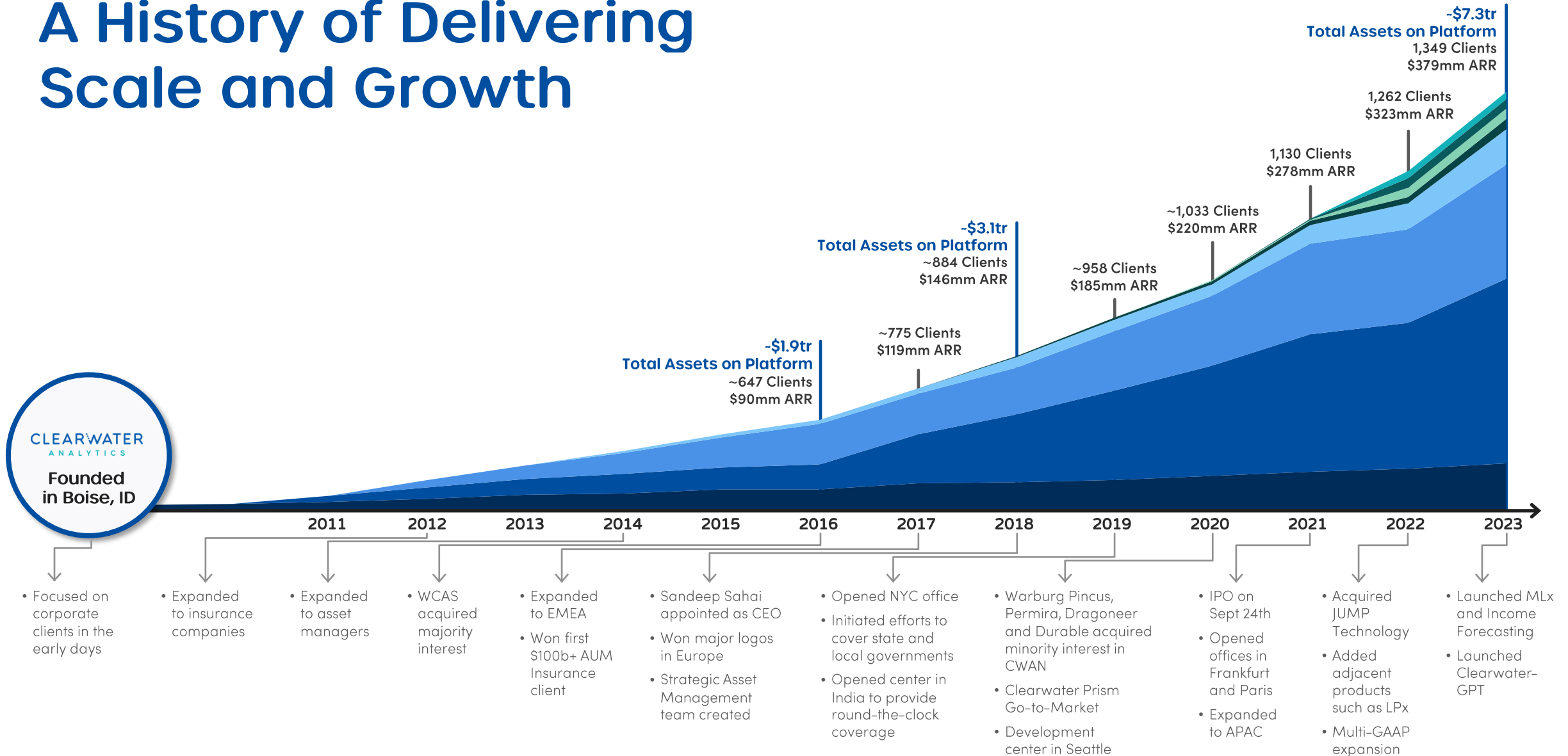


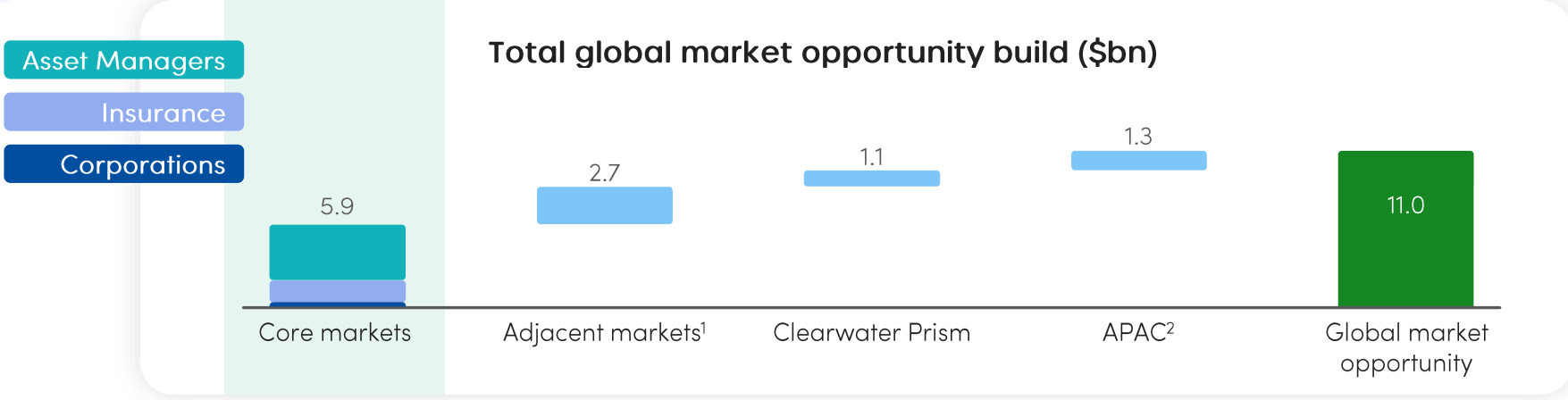
Chart above is for illustrative purpose only. Not to scale.

● Corporation ● Insurance ● Asset Mgmt ● EMEA ● State and Local Gov. (SLED) ● Prism ● APAC ● Adjacent Products

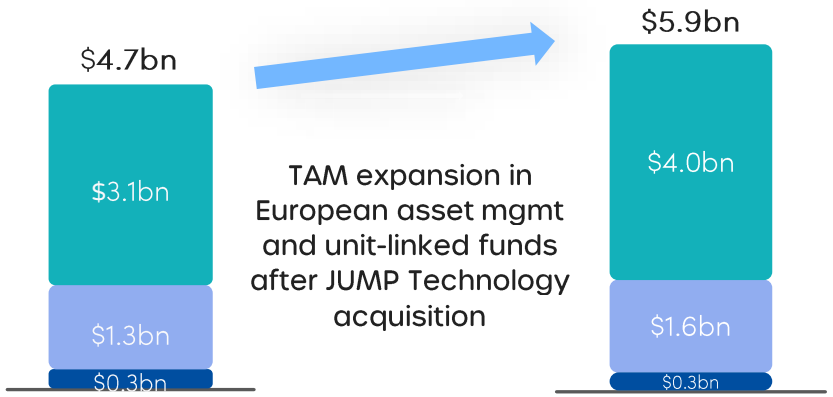
Our Market



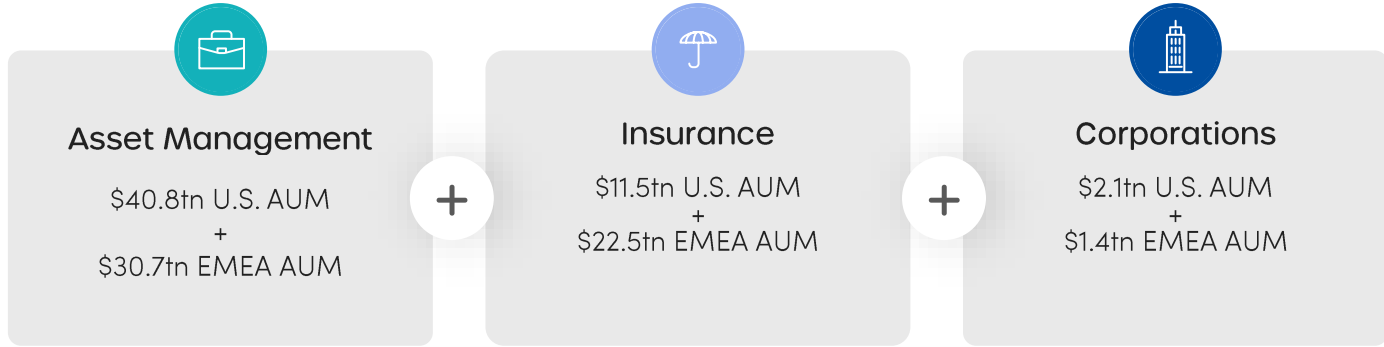
\$11 billion Global TAM Ripe for Disruption



Increase of ~\$1 bn



Core markets – Detailed build up



Source: Company commissioned study

¹ Adjacent markets represent opportunities from hedge funds, government, wealth management, family office and pension funds.

² APAC market represents combination of corporations, insurance and asset managers market opportunity in APAC and does not include Clearwater Prism or other adjacent markets.

Multiple Levers of Growth Makes This an Exciting Opportunity...

Current initiatives to maintain/enhance our growth trajectory



Deepen Relationships with Existing Clients

114% Net Revenue Retention as of Sept 30, 2024

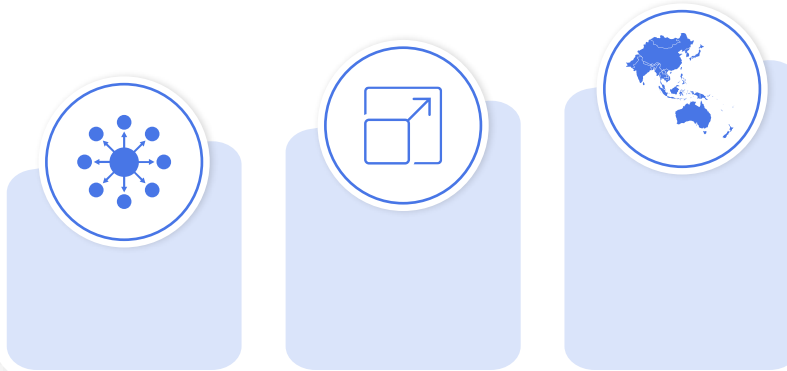
Gain Market Share Within Core Client End Markets

Right to win in North America Insurance and Asset Management ~80% Win Rate¹

Continue European Growth

Europe TAM increased to ~50% of core TAM*

Medium-term opportunities for incremental growth



Enter Adjacent Client End Markets

Governments, pension funds, sovereign wealth funds

Deliver Adjacent Solutions

Gain traction with Prism and extend our technology lead

Accelerate APAC Growth

\$1.3bn opportunity in APAC

Areas to explore



Insights from Assets on the Platform

Insight from more than \$7.3tr of assets on the platform



Best Practice Solutions

Creating impact from best practices benchmarking

*TAM expansion in European asset mgmt and unit-linked funds after JUMP Technology acquisition

¹Based on deals over the past four years that reached the proposal stage.

Financial & Growth



Our Financial Snapshot



23%
ARR CAGR 2016 – Q3'24



33%
EBITDA Margin
Q3 2024



Rule of 50
Company



Rapidly Expanding Globally
In FY 2023, % of international revenue is
18%
up from 14% in FY 2022



99% Gross Revenue Retention Rate
114% Net Revenue Retention Rate



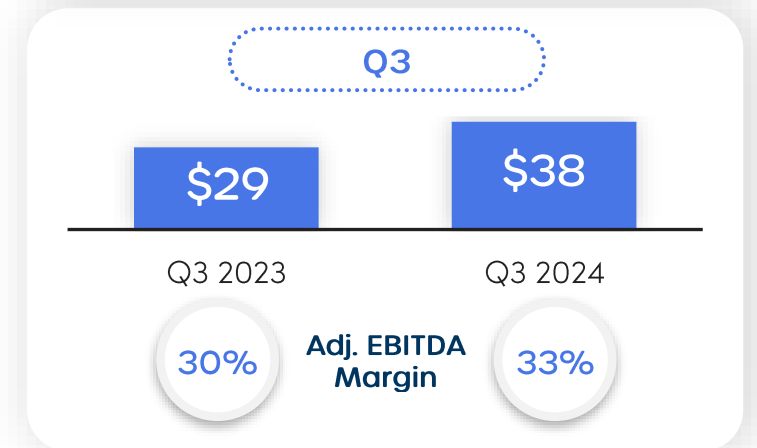
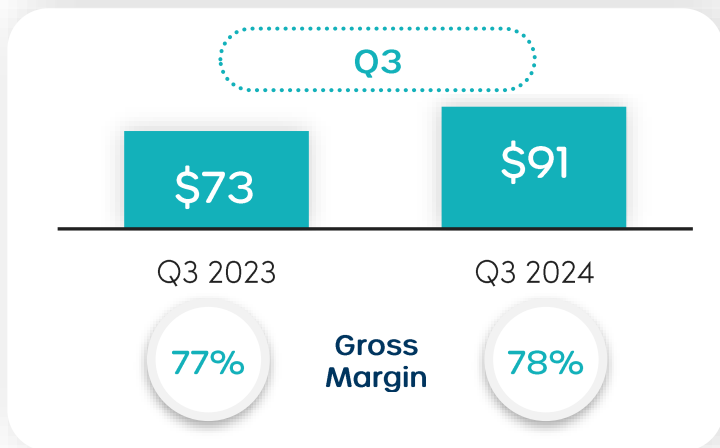
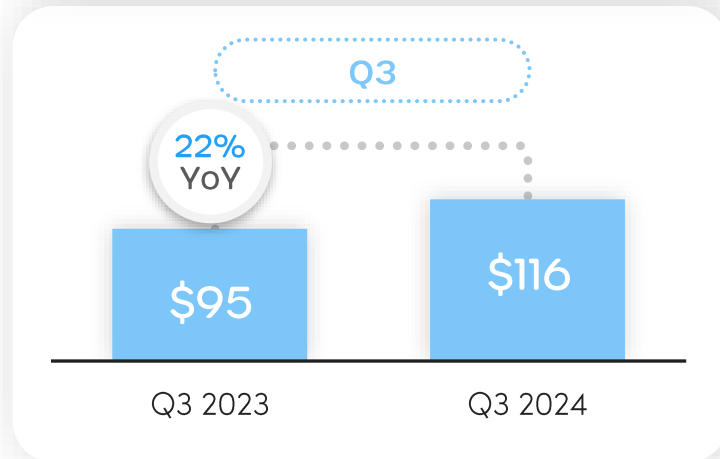
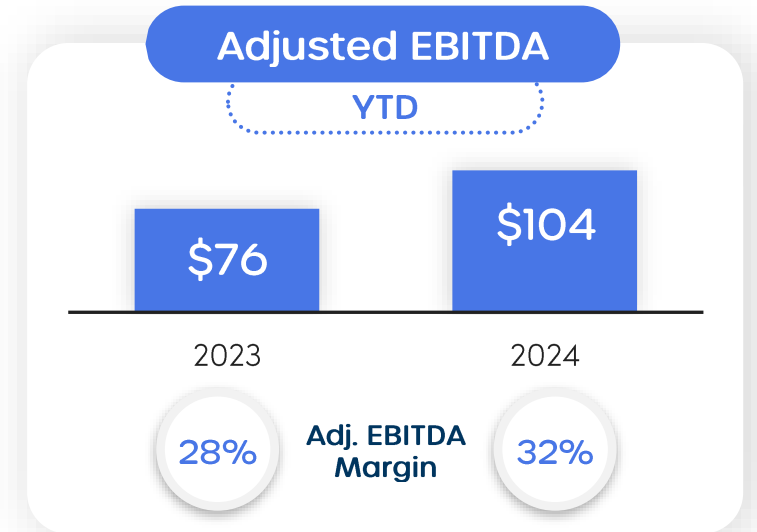
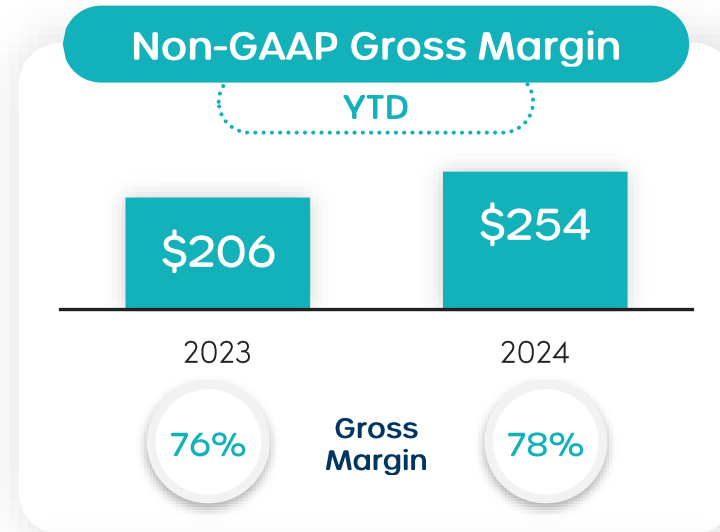
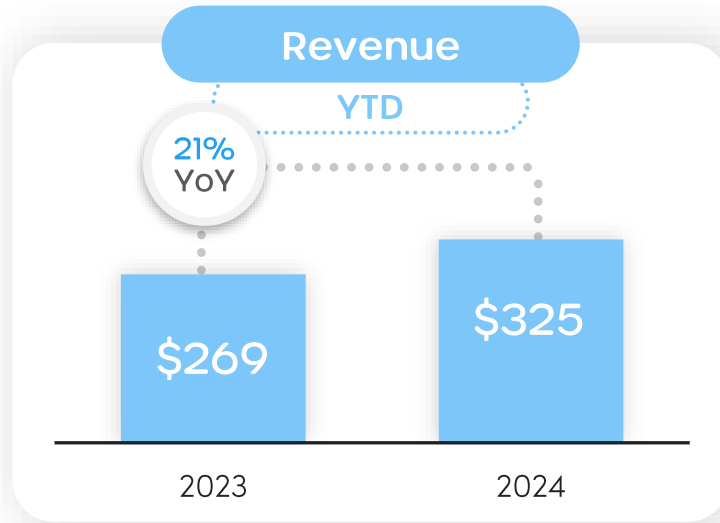
100%
Subscription Revenue*
Billed Monthly

Note:

- All financial metrics are as of September 30, 2024, unless noted otherwise.
- Rule of 50 calculated using LTM revenue growth % plus EBITDA margin % from most recent quarter, which is 54% for Q3 2024.
- EBITDA margin for the year ended December 31, 2023, 2022, 2021, 2020, and 2019 were 29%, 27%, 29%, 28%, and 30%, respectively. EBITDA margin for quarter ended September 30, 2024 was 33%.
- *Not including JUMP Technology acquisition that closed on November 30, 2022.

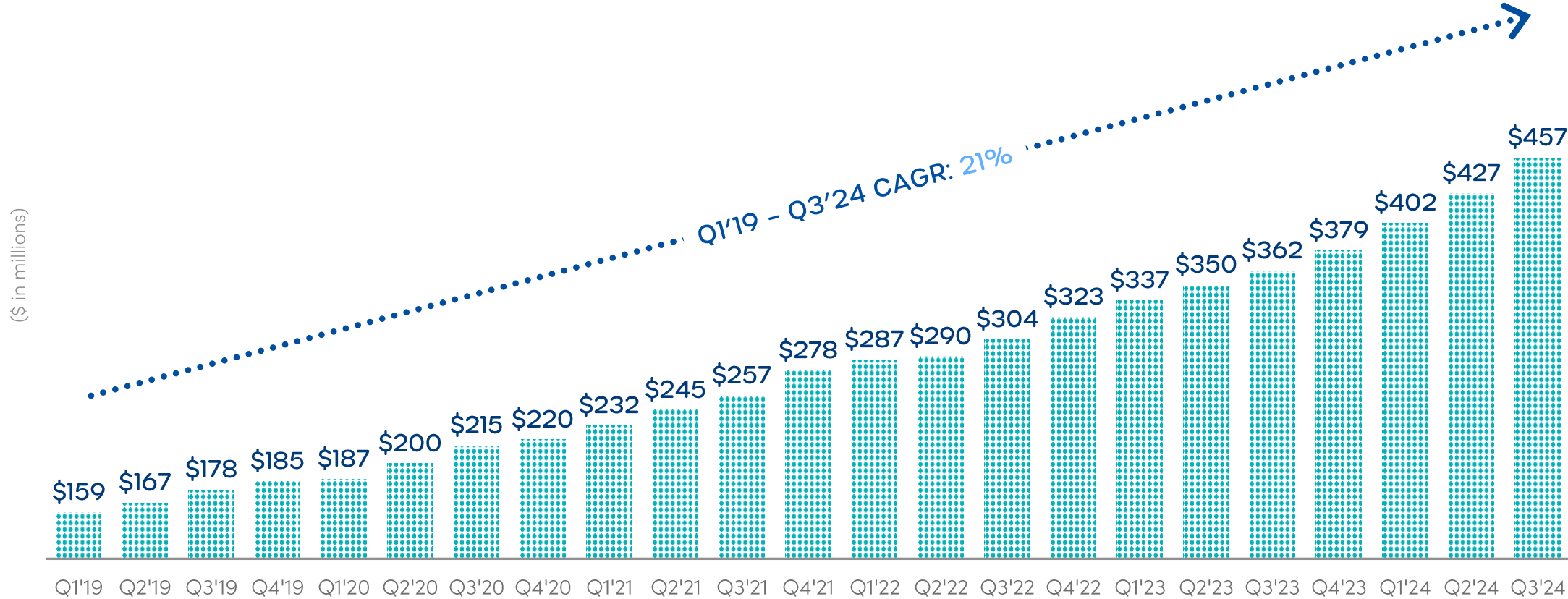
Strong Revenue Growth at Scale, with Significant Profitability

Continuing in Q3 of 2024 | (\$ in million)

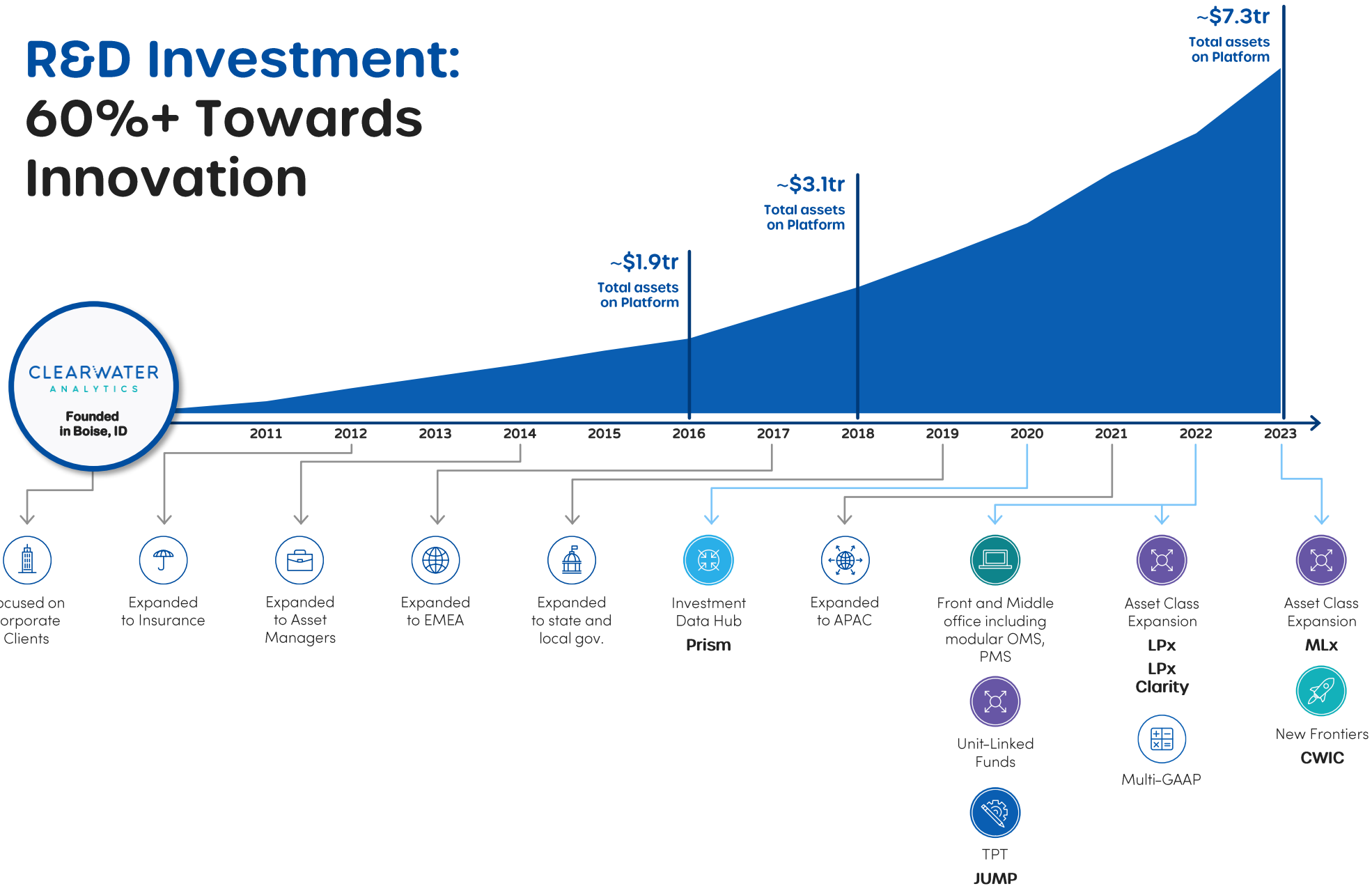


Sustained, Consistent Increases in Contracted Revenues

Quarterly ARR Detail



R&D Investment: 60%+ Towards Innovation



Platform Innovations

Add on modules to our accounting and reporting platform like GL Toolkit, Tri-partite templates and more



Investment Data Consolidation

Single golden source of truth for investment data for investment managers and buy side investors.



Asset Class and Funds Expansion

Expanded variety of asset and fund class coverage



Front and Middle Office

Modular solutions that expand into new buyers across the investment lifecycle



New Frontiers

Using the latest in data, AI and technology to drive productivity, automation and accountability across the investment lifecycle

Commercial Model

Base+ Model

Annual Base fee based on current book and Product Bundle Package Selected

Basis point fee for asset growth beyond current book

Annual price increase on base fee of greater than fixed % or CPI

Specific definition of the package purchased, additional products purchased incrementally

Commercial Package Bundles

Base

Professional

Enterprise

Insurance

Corporates

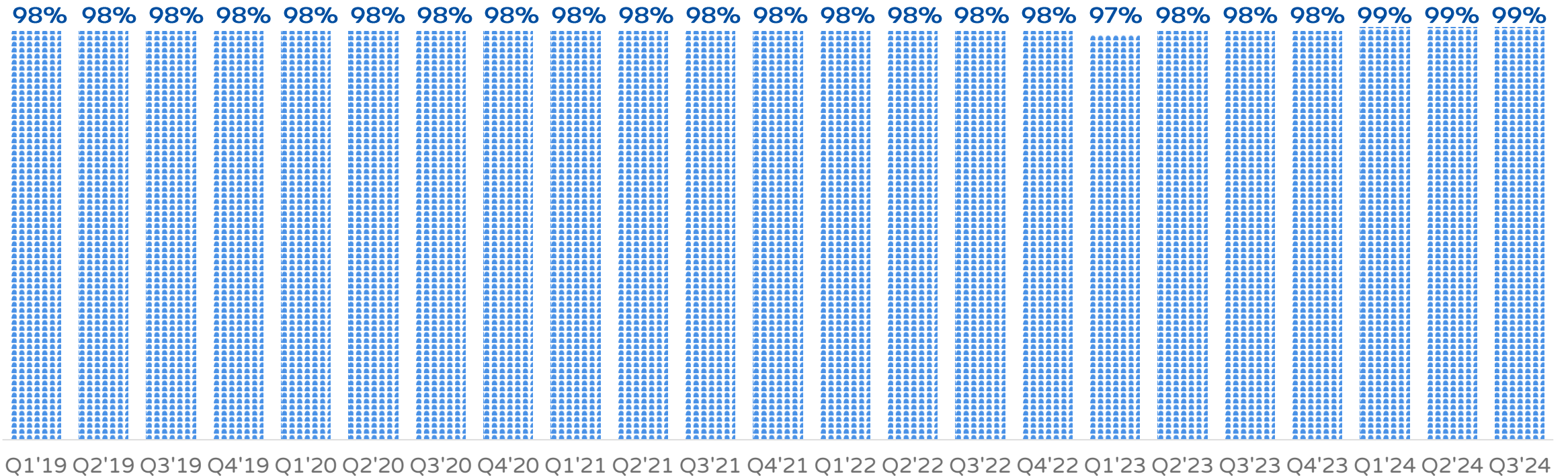
Asset Managers

Additional Products and Services

Extremely High and Consistent Gross Revenue Retention Rate

At least 98% for 22 out of the past 23 quarters

Quarterly Gross Revenue Retention Rate



Long-Term Operating Model Non-GAAP

% of Revenue	FY-19	FY-20	FY-21	FY-22	FY-23	FY-24 Guidance	Long Term Targets ²
Revenue Growth	25%	21%	24%	20%	21%	\$445.5 mm	20%+
Gross Margin	73%	75%	76%	75%	77% +YoY 140 bps		~80%+
R&D	22%	25%	24%	25%	26%		~20%
S&M	11%	9%	13%	13%	12%		~14%
G&A	10%	13% (9% w/o sales tax adj.) ¹	10%	11%	10%		~6%
EBITDA Margin	30%	28% (33% w/o sales tax adj.) ¹	29%	27%	29% +YoY 200 bps	~32% Higher than 31% target, previously stated in prior quarters.	~40%+

¹Relates to the expenses associated with accrued sales tax liability due to a change in estimates of liability following the completion of a comprehensive review of sales tax reporting obligations across jurisdictions during 2020. For the year ended December 31, 2020, this was \$9.10m related to G&A.

²These are not projections; they are goals/targets and are forward-looking, subject to significant business, economic, and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. Nothing in this presentation should be regarded as a representation by any person that these goals/targets will be achieved and the Company undertakes no duty to update its goals.

Our People & Values



World Class Management Team



Sandeep Sahai
Chief Executive Officer



Shane Akeroyd
Chief Strategy Officer



Cindy Blendu
CHRO / Chief Transformation Officer



Jim Cox
Chief Financial Officer



Souvik Das
Chief Technology Officer



Sunil Dixit
Chief Product Officer



Scott Erickson
Chief Revenue Officer



Emmanuel Fougeras
President, JUMP Technology



Heather McClellan
Chief of Staff



James Price
Chief Quality Officer



Subi Sethi
Chief Client Officer



Alphonse Valbrune
Chief Legal Officer

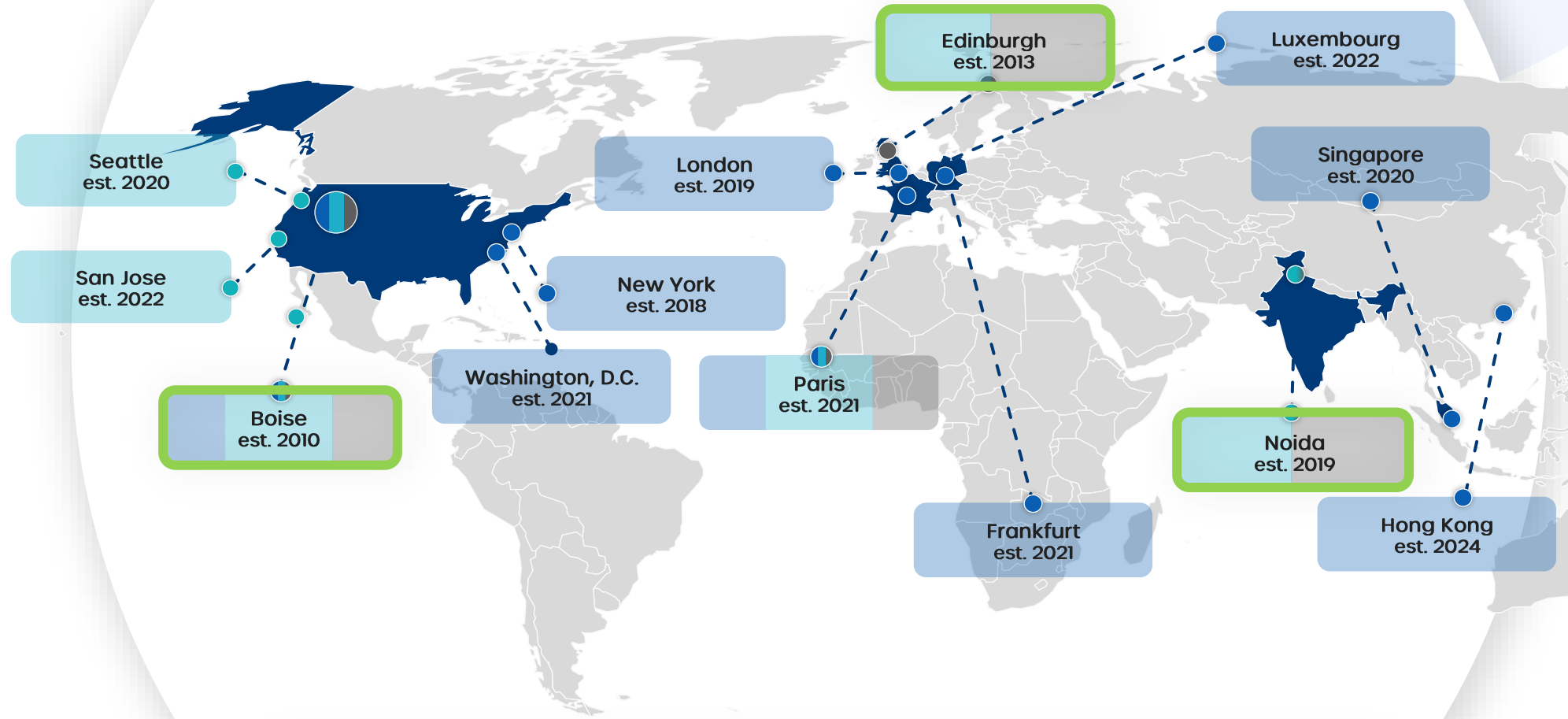


Keith Viverito
Director of Europe, Middle East and Africa



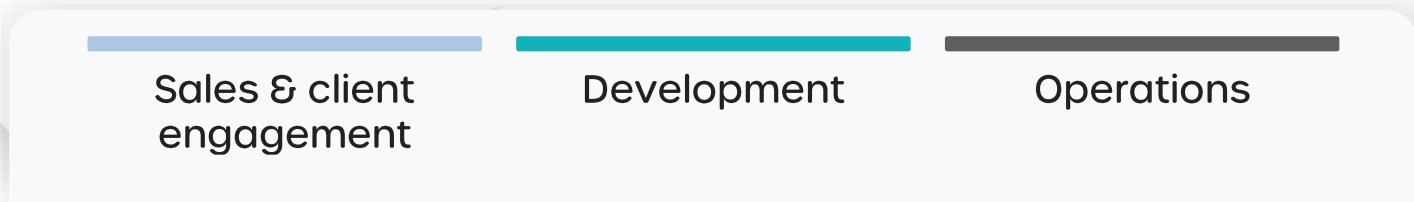
Fleur Sohtz
Chief Marketing Officer

Global Team and Footprint to Address All Client Needs



Total employees at end 2023: 1,756

Note: Total employees includes JUMP Technology.



Clearwater Highlights



Cloud native technology leader

Single instance multi-tenant platform disrupting an industry dominated by legacy technologies. Win rates of ~80%¹ proves the disruptive power



Secular tailwinds

Explosion of regulations and search for yield driving demands that legacy technology cannot deliver



Powerful network effects

The network effect creates a competitive advantage that has been years in the making



Clearwater Way: Clients love us

Satisfaction is much higher compared to competitors. Trusted by top tier institutions globally



Large TAM

\$11B market opportunity. Company has a proven capability of entering new markets successfully



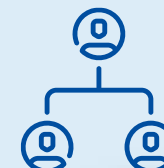
Strong financial profile

Proven 20%+² revenue growth and 30%+³ EBITDA margins make it a rule of 50 company



Multiple growth levers

Numerous means to sustain growth rates and drive EBITDA margins



Experienced team

A leadership team with a proven track record of building and scaling successful companies

¹ Based on deals over the past four years that reached the proposal stage.

² For the year ended December 31, 2023, 2022, and 2021, revenue increased 21%, 20%, and 24%, respectively.

³ EBITDA margin for the year ended December 31, 2023, 2022, 2021, 2020, and 2019 were 29%, 27%, 29%, 28%, and 30%, respectively. EBITDA margin for quarter ended September 30, 2024 was 33%.

Appendix



Definitions of Non-GAAP Terms and Key Operating Measures

Adjusted EBITDA

We define Adjusted EBITDA as net income plus (i) interest expense, net, (ii) depreciation and amortization expense, (iii) equity-based compensation, (iv) Recapitalization compensation expenses and (v) other expenses, which include professional service fees related to settlement of a legal matter, management fees to our investors, income taxes related to foreign subsidiaries, foreign exchange gains and losses and other expenses that are not reflective of our core operating performance.

Annualized Recurring Revenue

Annualized recurring revenue is calculated at the end of a period by dividing the recurring revenue in the last month of such period by the number of days in the month and multiplying by 365.

Gross Revenue Retention Rate

Gross revenue retention rate represents annual contract value ("ACV") at the beginning of the 12-month period ended on the reporting date less client attrition over the prior 12-month period, divided by ACV at the beginning of the 12-month period, expressed as a percentage. ACV is comprised of annualized recurring revenue plus booked not billed revenue, which represents the estimated annual contracted revenue for new and existing client opportunities prior to revenue recognition. Client attrition occurs when a client provides a contract termination notice. The amount of client attrition is calculated as the reduction in annualized revenue of the client at the time of the notice and is recorded in the month the final billing occurs.

Net Revenue Retention Rate

Net revenue retention rate is the percentage of recurring revenue retained from clients on the platform for 12 months and includes changes from the addition, removal or value of assets on our platform, contractual changes that have an impact to annualized recurring revenues and lost revenue from client attrition. We calculate net revenue retention rate as of a period end by starting with the annualized recurring revenue from clients as of the 12 months prior to such period end. We then calculate the annualized recurring revenue from these clients as of the current period end. We then divide the total current period end annualized recurring revenue by the 12-month prior period end annualized recurring revenue to arrive at the net revenue retention rate.

Reconciliation of Net Income/(Loss) to Adjusted EBITDA

(\$ in millions)	Nine Months Ended Sept 30		Three Months Ended Sept 30	
	2024	2023	2024	2023
Net Income/(Loss)	\$7	\$(20)	\$5	\$(2)
Interest Expense, Net	(6)	(4)	(2)	(2)
Depreciation and Amortization	9	7	3	2
Equity-based Comp & related payroll tax	81	84	27	31
Tax Receivable Agreement Expense	12	6	5	(1)
Transaction Expense	2	2	0	0
Other Expenses ¹	0	1	0	(1)
Adjusted EBITDA	\$104	\$76	\$38	\$29
Revenue	\$325	\$269	\$116	\$95
Adjusted EBITDA Margin	32%	28%	33%	30%
Net Income/(Loss) Margin	2%	(7)%	4%	(2)%

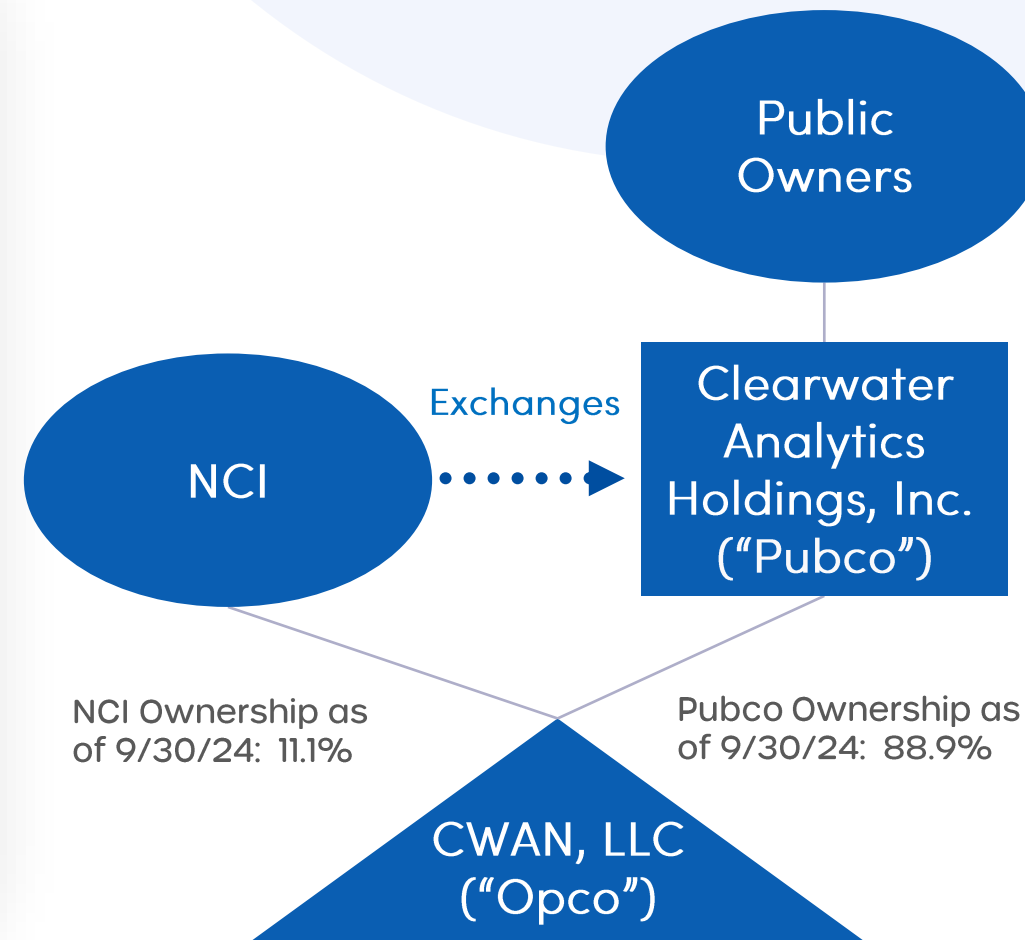
¹Other expenses includes management fees to our investors, income taxes, foreign exchange gains and losses and other expenses that are not reflective of our core operating performance including the costs to set up our Up-C structure and Tax Receivable Agreement.

Up-C Structure and TRA ¹

Key Points:

1. In an Up-C structure, operations are conducted through a limited liability company treated as a partnership for tax purposes ("Opco"), which is partially owned by our public corporation ("Pubco") and whose other partners are certain of our pre-IPO owners (the "Noncontrolling Interest" or "NCI").
2. Over time, the holders of NCI are expected to exchange partnership units for Pubco shares. This increases Pubco's ownership of Opco (as well as Pubco's Class A shares outstanding). Eventually, we expect that Pubco will own 100% of Opco. Approximately 53% of the NCI outstanding at the time of the IPO have exchanged their LLC interests for Class A shares of Pubco.
3. After exchange, Pubco may utilize the tax benefit created by these exchanges over time, which may offset Pubco's taxable income and reduce income taxes due on Pubco's corporate income tax return. In addition, as a result of a restructuring in connection with our IPO, Pubco received additional tax benefits from certain pre-IPO owners that may also reduce our taxable income and corporate income taxes.
4. As part of the IPO, a Tax Receivable Agreement ("TRA") was signed whereby 85% of the actual cash tax savings realized by Pubco from such tax benefit will be paid to the NCI that have exchanged their LLC interests for Pubco Class A or Class D shares, other former pre-IPO owners or certain members of management through bonus agreements (the "TRA Payees"), and 15% kept by Pubco (such tax benefit utilized by Pubco calculated using certain simplifying assumptions, subject to acceleration in certain circumstances, and as further described in our SEC Disclosure Documents).
5. Timing of any payments under the TRA is unknown as it depends on many factors including our future profitability for tax purposes and the timing of exchanges by the holders of NCI.

Up-C Structure



Key Concept: The payment of 85% of the tax benefit to the TRA Payees is in lieu of the income tax that Pubco would have expected to pay. Because of the Up-C structure, instead of paying 100% to the government, Pubco pays 85% to the TRA Payees and keeps 15% for itself.

Multi-Class Share Structure ¹

Class A common stock

- 1 share. 1 vote.
- Economic interest in Pubco.
- Owned mainly by public shareholders.
- 172.0 million shares as of 9/30/24

Class B common stock

- 1 share. 1 vote.
- No economic interest in Pubco.
- Unit holders of CWAN, LLC (Opco).
- Owned by certain pre-IPO shareholders.
- Zero shares as of 9/30/24
- May be exchanged into Class A (together with a partnership unit).

Principal Equity Owners: WCAS, Warburg Pincus, Permira

Class C common stock

- 1 share. 10 votes.
- No economic interest in Pubco.
- Unit holders of CWAN, LLC (Opco).
- May only be owned by the Principal Equity Owners.
- 27.4 million shares as of 9/30/24
- May be exchanged into Class A or Class B or Class D (together with a partnership unit).

Class D common stock

- 1 share. 10 votes.
- Economic interest in Pubco.
- May only be owned by the Principal Equity Owners.
- 47.5 million shares as of 9/30/24
- May be exchanged into Class A.

If Principal Equity Owners sell or distribute Class C or Class D shares to third party transferees, the shares automatically become Class A or Class B.

Proxy Shareholder Vote on TRA

- On November 4, 2024, the Company entered into an agreement to terminate the TRA in return for one-time settlement payments totaling \$72.5 million.
- The Company filed on November 6, 2024 a preliminary proxy statement asking for unaffiliated shareholders to approve the transaction. The Company will only terminate the agreement if a majority of its unaffiliated shareholders—a group that excludes all parties to the TRA, all TRA bonus holders, all executive officers and those of our directors who are affiliated with the TRA Participants—vote to approve the termination. Please refer to the preliminary proxy statement for additional information.
- The Company believes that adopting the Amendment and consummating the TRA Buyout will result in a number of benefits to the Company and its shareholders (including its unaffiliated shareholders), at a cost that is only \$43.7 million more than the \$28.8 million in TRA liabilities reported on the Company's balance sheet as of September 30, 2024. We believe that the benefits to the Company include:
 - generating significant savings equal to 29% (approximately \$29 million) of estimated aggregate payment of at least \$102 million that would otherwise be payable under the TRA over the next five years;
 - generating significant savings equal to 88% (approximately \$542 million) of the Company's estimated total possible TRA liability of \$614 million for the quarter ended September 30, 2024;
 - positively impacting the Company's operating cash flows and potentially the Company's valuation and general investor sentiment on the Company's future performance;
 - enhancing the Company's ability to complete strategic transactions; and
 - providing greater certainty to the Company and its shareholders around the Company's future financial performance.

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