

**GoDaddy**

# 2024 Investor Day

Investor Day | March 6, 2024



# Forward looking statements and non-GAAP financial measures

This presentation contains forward-looking statements that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on estimates and information available to us at the time of this presentation and are not guarantees of future performance. Statements in this presentation involve risks, uncertainties and assumptions. If the risks or uncertainties materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking statements, including, but not limited to any statements regarding: our business outlook; launches of new or expansion of existing products or services, including GoDaddy Airo™, any projections of product or service availability, technology developments and innovation, customer growth, or other future events; historical results that may suggest future trends for our business; our plans, strategies or objectives with respect to future operations, partnerships and partner integrations and marketing strategy; future financial results; our ability to integrate acquisitions and achieve desired synergies and vertical integration; the expected impact of our debt repricing; our future taxable income and ability to realize our deferred tax assets; and assumptions underlying any of the foregoing.

Actual results could differ materially from our current expectations as a result of many factors, including, but not limited to: the unpredictable nature of our rapidly evolving market; fluctuations in our financial and operating results; our rate of growth; interruptions or delays in our service or our web hosting; our dependence on payment card networks and acquiring processors; breaches of our security measures; the impact of any previous or future acquisitions or divestitures; our ability to continue to release, and gain customer acceptance of, our existing and future products and services; our ability to deploy new and evolving technologies, such as artificial intelligence, machine learning, data analytics and similar tools, in our offerings; our ability to manage our growth; our ability to hire, retain and motivate employees; the effects of competition; technological, regulatory and legal developments; intellectual property litigation; the impact of our restructuring efforts; macroeconomic conditions and developments in the economy, financial markets and credit markets; continued escalation of geopolitical tensions; the level of interest rates and inflationary pressures; the execution of share repurchases; and our ability to remediate the identified material weakness in our internal control over financial reporting and to maintain effective internal control over financial reporting.

Additional risks and uncertainties that could affect GoDaddy's business and financial results are included in the filings we make with the SEC from time to time, including those described in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2023, which is available on GoDaddy's website at <https://investors.godaddy.net> and on the SEC's website at [www.sec.gov](http://www.sec.gov), and any subsequent quarterly or annual report filed with the SEC thereafter. Additional information will also be set forth in other filings that GoDaddy makes with the SEC from time to time. All forward-looking statements in this presentation are based on information available to GoDaddy as of the date hereof. Except to the extent required by law, GoDaddy does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.



# Agenda

GoDaddy Strategy | Aman Bhutani — CEO

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GoDaddy Airo | Gourav Pani — President, U.S.

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Commerce | Kasturi Mudulodu — President, Commerce

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International | Laura Messerschmitt — President, International

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Marketing | Fara Howard — CMO

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Care | Demetria Silvera Elmore — President, Care

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Operations | Roger Chen — COO

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Financials and Outlook | Mark McCaffrey — CFO



GoDaddy

# Strategy

Aman Bhutani | Chief Executive Officer

Investor Day | March 6, 2024



# Two transformations and an outcome

GoDaddy's story over the last four years told in three parts

Our software  
platform has  
evolved

Our decisions  
are based on  
evidence

Our profitable  
growth drives  
shareholder value



# **Our Mission**

Empower entrepreneurs everywhere,  
making opportunity more inclusive for all



# Strong secular tailwinds and GoDaddy's differentiated position create a long runway for profitable growth

Entrepreneurship  
driving personal  
fulfilment

Domains is a proven early onramp for entrepreneurs and GoDaddy continues to be the global leader in domain registrations

Internet adoption  
extending to more  
use cases

Successful track record of introducing new products – presence, productivity and commerce – and attaching to our large base of domain customers

Technology driven  
automation is a game  
changer for ease of use  
for entrepreneurs

Launched Airo, a unified technology platform, using AI/GenAI creating a seamless experience across products saving entrepreneurs' time and money



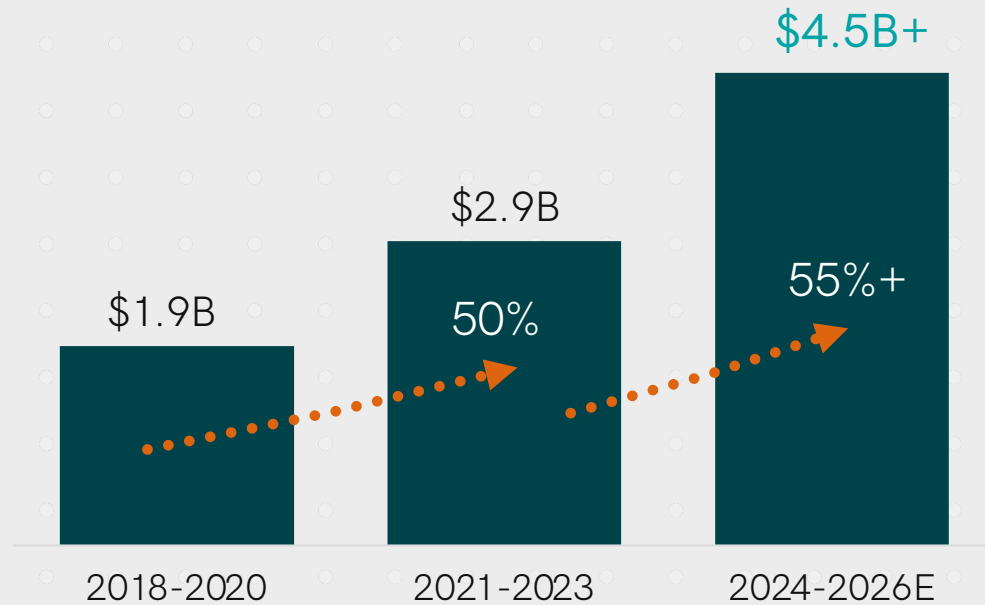
# **Financial North Star**

Increasing free cash flow per share  
over the long term

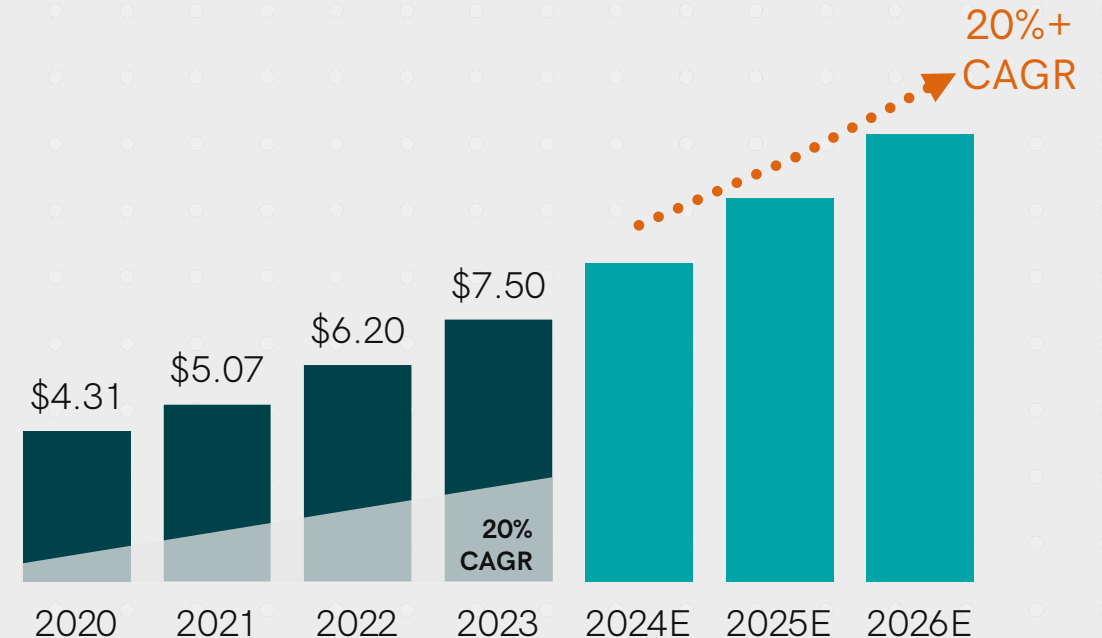


# Path for next 3 years is driving \$4.5B+ cumulative FCF leading to 20%+ CAGR on FCF per share

3-year cumulative free cash flow



Free cash flow per share





# GoDaddy's unique, differentiated and attractive shareholder value creation model

**Durable  
top-line growth**

**6%-8%**

Annual revenue growth



**Expanding  
NEBITDA  
margins**

**~33%**

NEBITDA margin in 2026



**Strong  
free cash flow**

**\$4.5B+**

3-year cumulative FCF

**20%+**

FCF/share CAGR through 2026

Experienced management team committed  
to delivering for shareholders

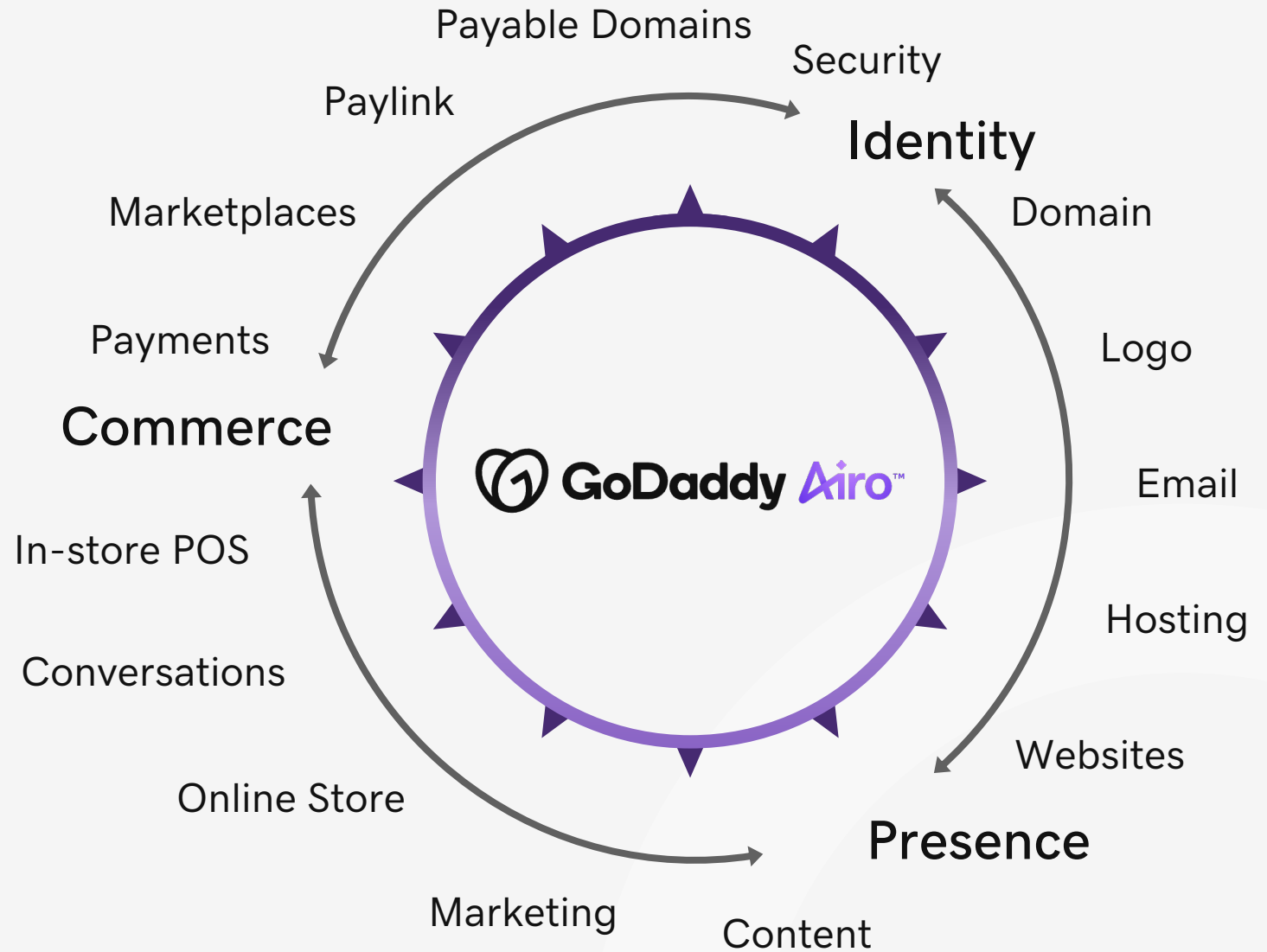


## **Our Strategy**

Everyday entrepreneurs trust their ideas with us. We guide them to build their business digitally. Our global solutions seamlessly connect their identity and presence with commerce, leading to profitable growth



**At GoDaddy,**  
**we partner with**  
**our customers**  
**at every point**  
**on the**  
Entrepreneur's  
Wheel





# GoDaddy's competitive advantages

## Global brand awareness

Global leader in Domains with ~85M domains under management

60%+ direct traffic

## Scale of customer base

21M paying customers

~85% customer retention

## Seamless experience

> 50% of customers with 2+ products

Integrated Data and Tech at scale

## Guidance through Care

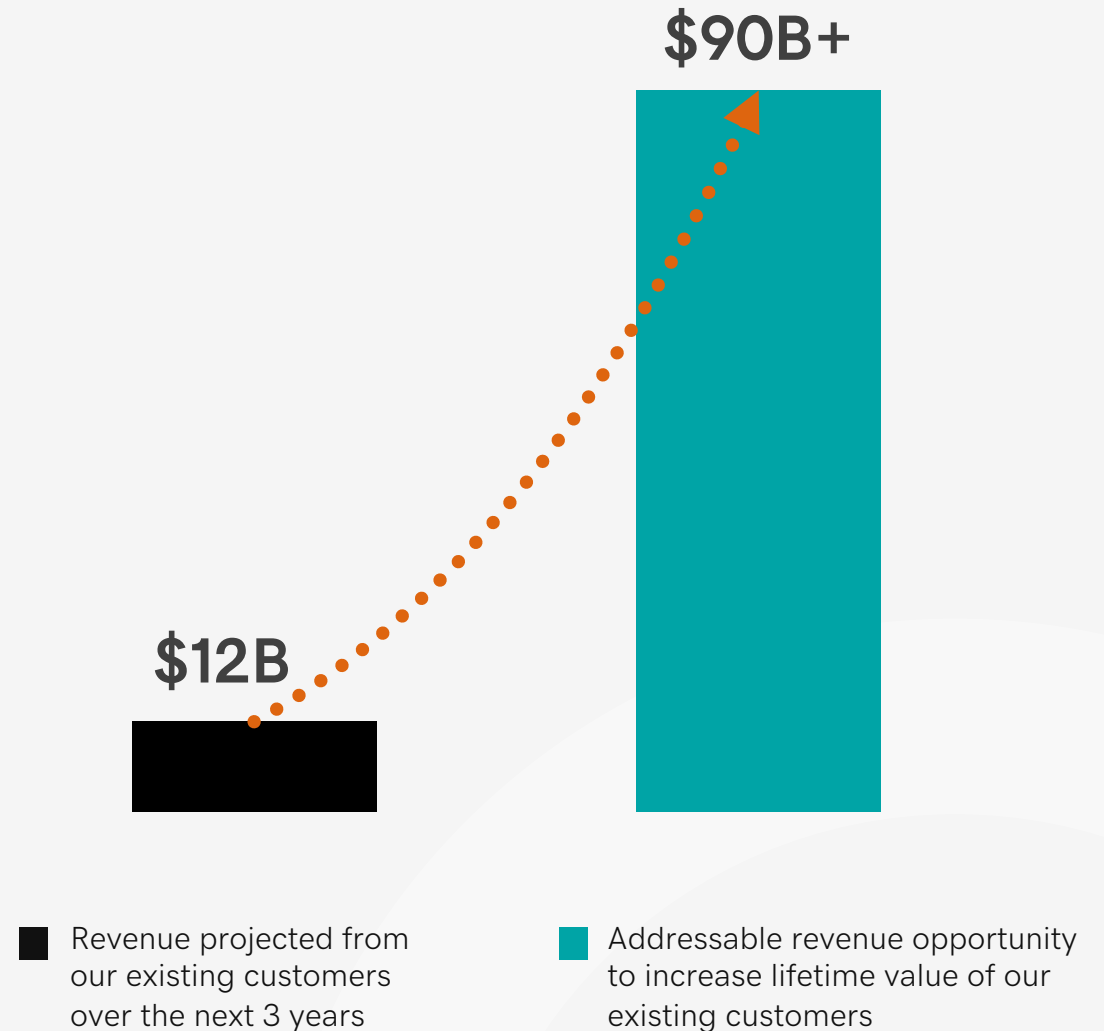
Best-in-class Care with 65+ tNPS

9% of bookings from Care



# \$90B+ addressable opportunity in our customer base

The lifetime value of our existing 21M loyal customer base with 3+ products attached





# Growth and margin drivers

Existing high confidence initiatives

New initiatives

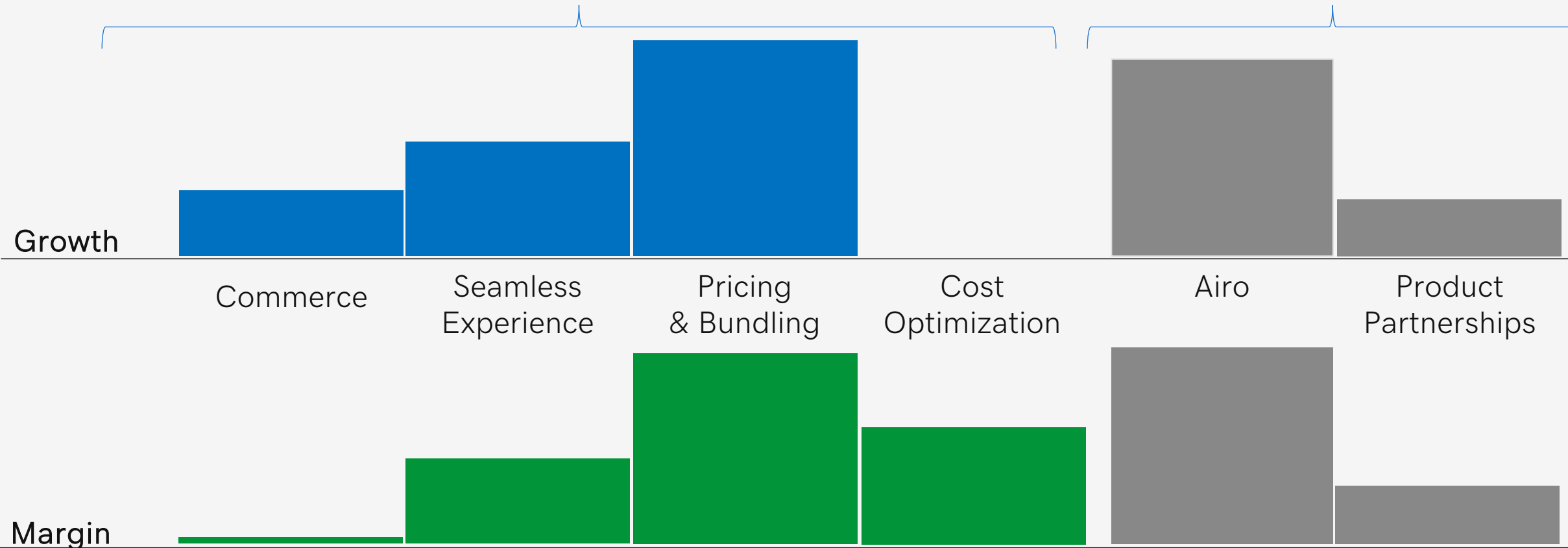


Diagram is illustrative and not to scale

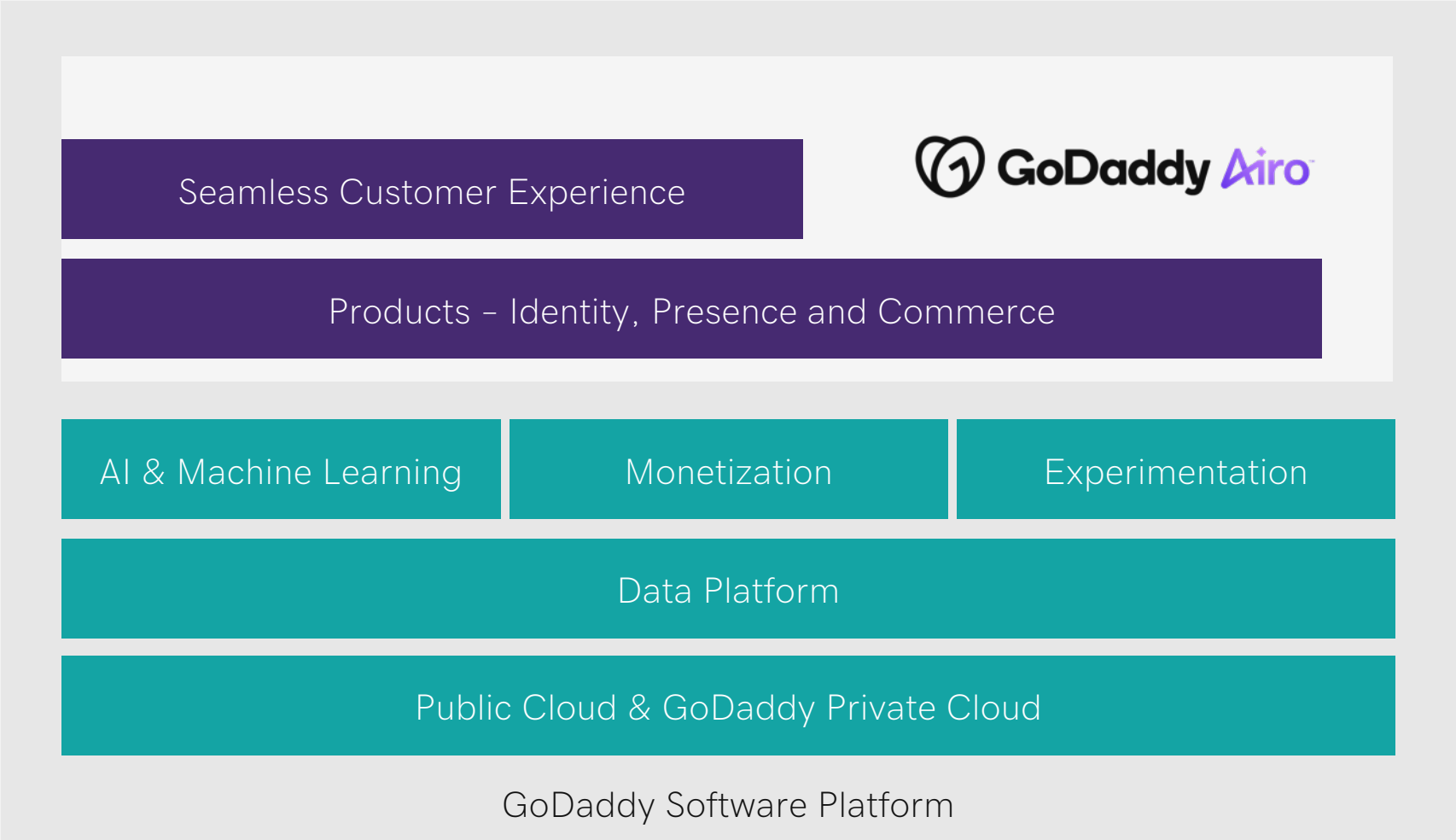


# Platform approach to building experiences for customers

GoDaddy Software Platform powers the drivers of our business

Acceleration  
drives  
innovation  
and growth

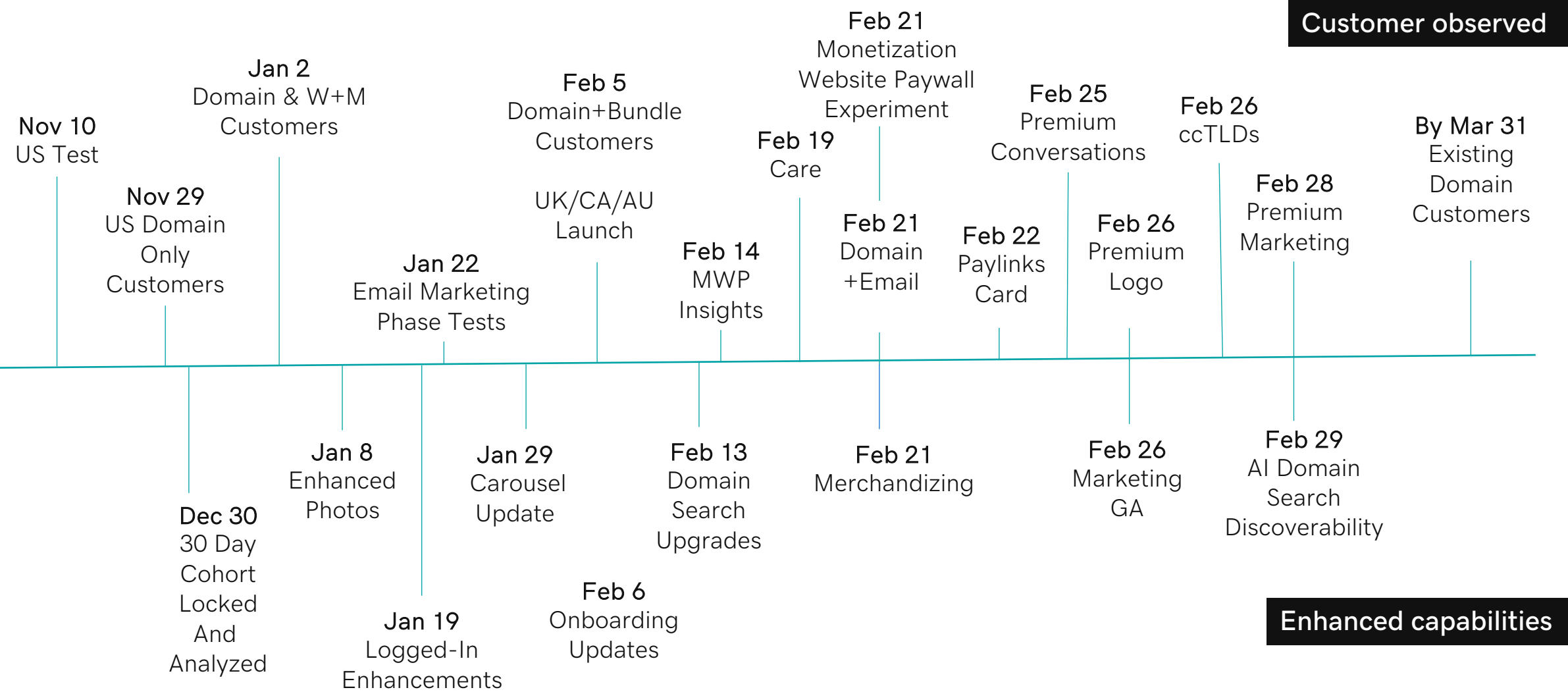
Optimization  
drives  
velocity and  
savings





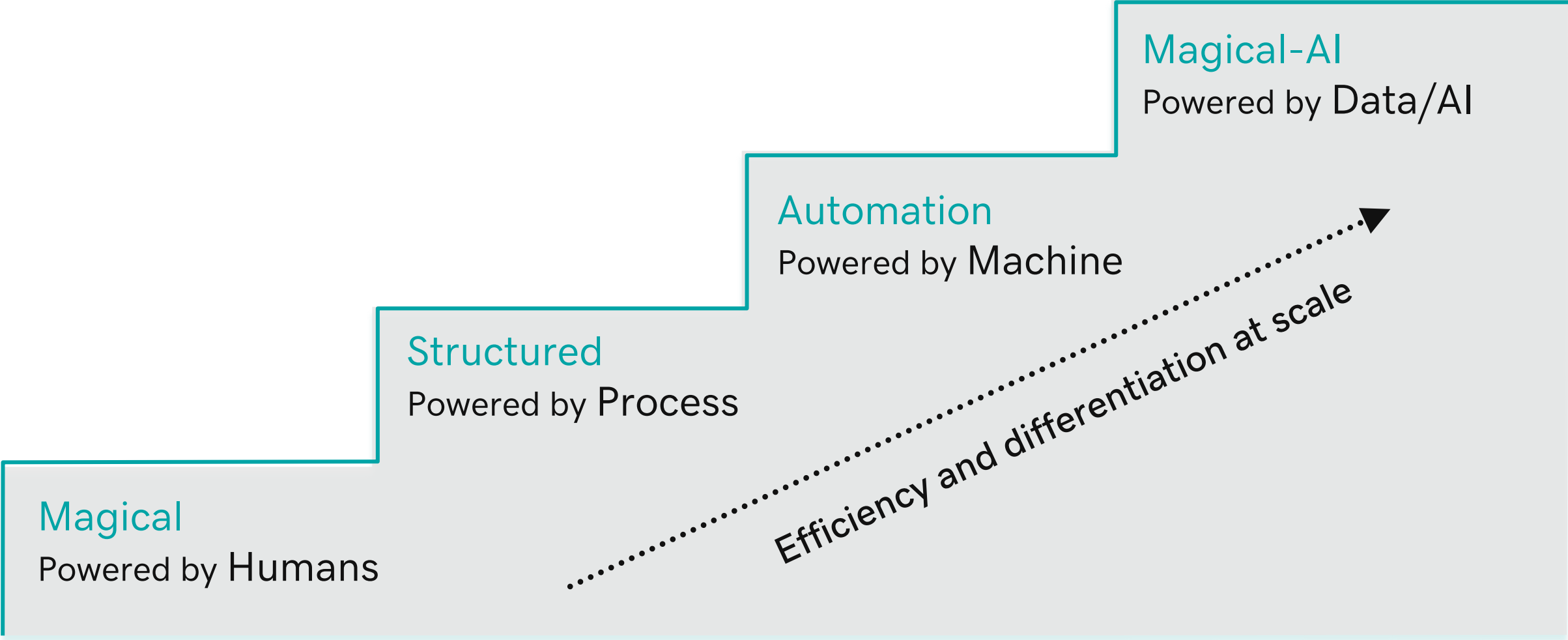
# “Mind blowing!” - Rollout of GoDaddy Airo

Example of velocity delivered by Airo on GoDaddy Software Platform



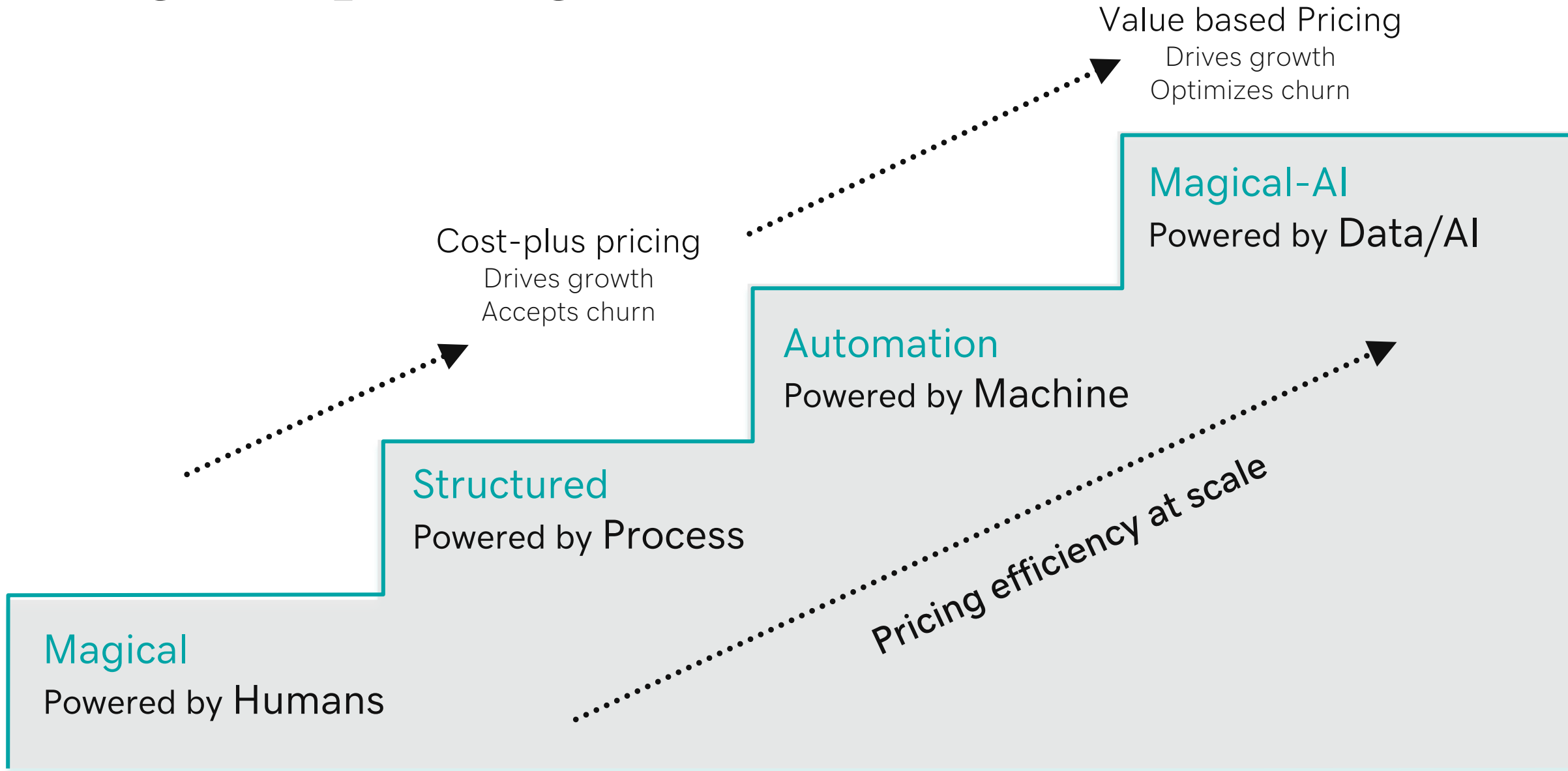


# GoDaddy Innovation Method – Staircase Model





# Pricing example using Staircase Model





Innovation saves customers time and money



# Everyday entrepreneurs trust their ideas with us

We help them find a domain name, which often becomes their brand

## Automated – Powered by machines

Customer starting a “vegan cosmetics business” would likely try a lot of searches



## Magical-AI – Powered by data/AI



AI Domain Search

### Idea to online at the speed of wow.

Tell us about your idea, product or service in your prompt - and let AI amaze you.

I am building a brand of vegan cosmetics products. I am focusing on shades of pink, glowing products. I have shampoo bars and creams, conditioners and compacts, lipsticks, shadows.



# Everyday entrepreneurs trust their ideas with us

We help them find a domain name, which often becomes their brand

Automated – Powered by machines

vegancosmetics.us

Restrictions apply. ?

\$19.99

\$4.99

for first year ?

vegancosmetics.ai

\$139.99

\$59.99

1st yr only with 2 yr term ?

PROMOTED

vegancosmetics.food

\$59.99/yr

PROMOTED

vegancosmetics.biz

\$29.99

\$11.99

for first year ?

PROMOTED

vegancosmetics.makeup

\$19.99

\$1.99

for first year ?

Contact Us

cosmetics.club

\$23.99

\$4.99

for first year ?

Magical-AI – Powered by data/AI

Glowing Flower Beauty

GODADDY AI SUGGESTION

glowingflowerbeauty.com

\$21.99

\$0.01

1st yr only with 3 yr term ?

Glowing Petals Beauty

GODADDY AI SUGGESTION

glowingpetalsbeauty.com

\$21.99

\$0.01

1st yr only with 3 yr term ?

Glowing Rose Beauty

GODADDY AI SUGGESTION

glowingrosebeauty.com

\$21.99

\$0.01

1st yr only with 3 yr term ?

Petal Pink Essentials

GODADDY AI SUGGESTION

petalpinkessentials.com

\$21.99

\$0.01

1st yr only with 3 yr term ?



# GoDaddy Airo generates logos based on the domain names

Logos automatically appear on all Airo-enabled products

## Magical – Powered by humans



Drafted by an expert  
Back and forth for weeks  
Costs hundreds of dollars

## Magical-AI – Powered by data/AI

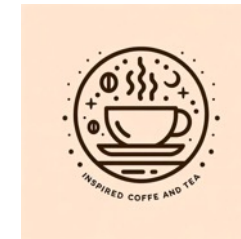
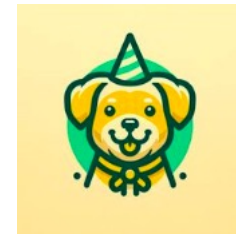
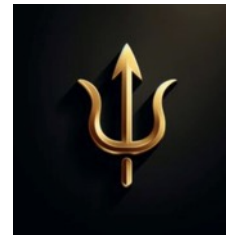
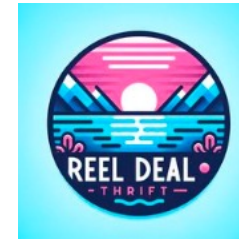
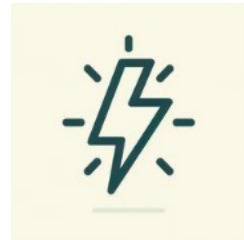
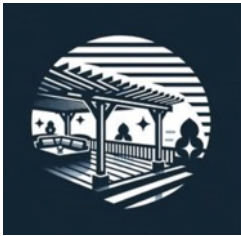
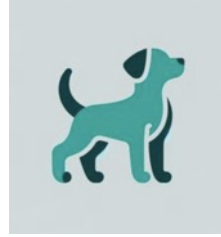


Multiple drafts in seconds with Airo Premium



# Customers are loving creating these logos

Thousands of logos created in the first few days

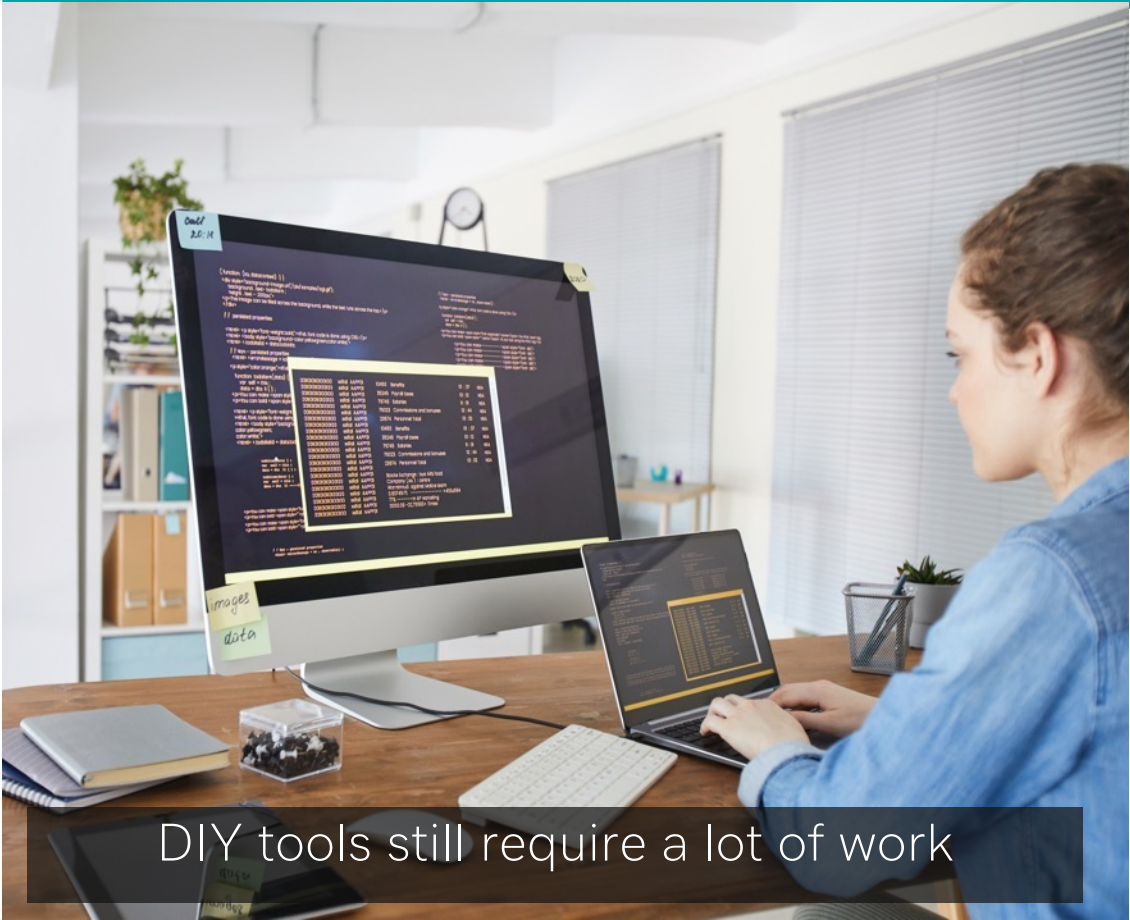




# We guide them to build their business digitally

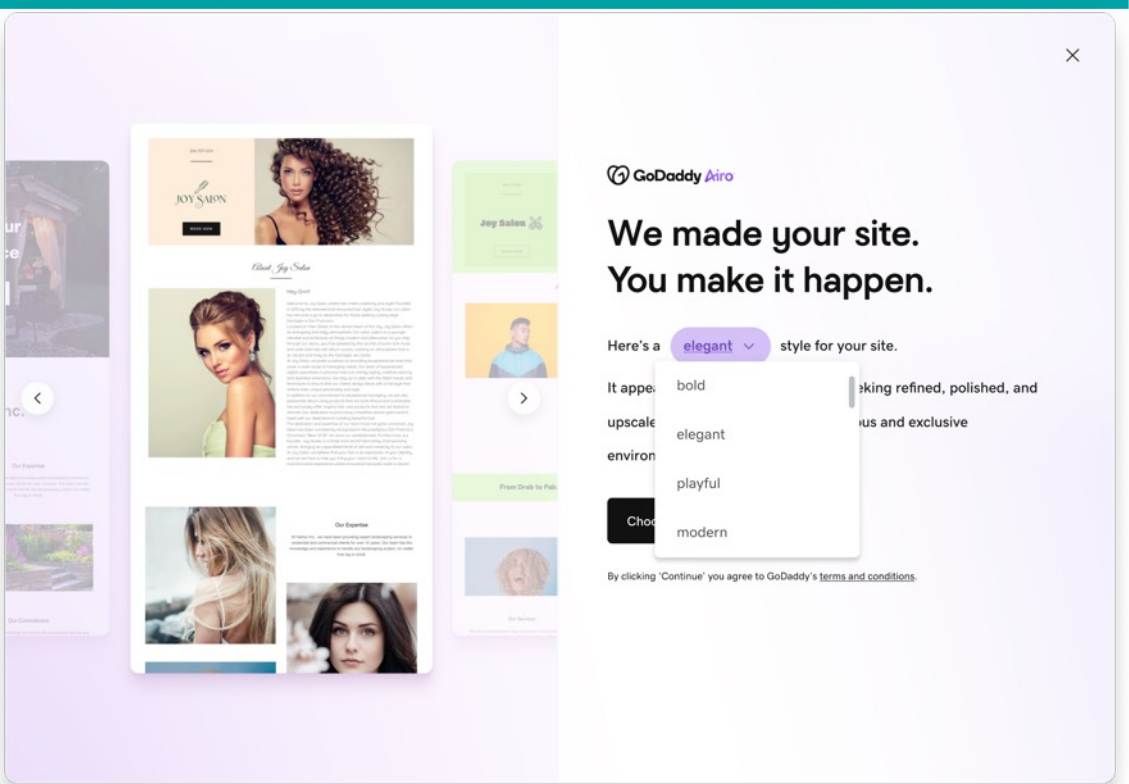
And GoDaddy Airo super-charges this ability

## Magical: Powered by humans



DIY tools still require a lot of work

## Magical-AI – Powered by data/AI



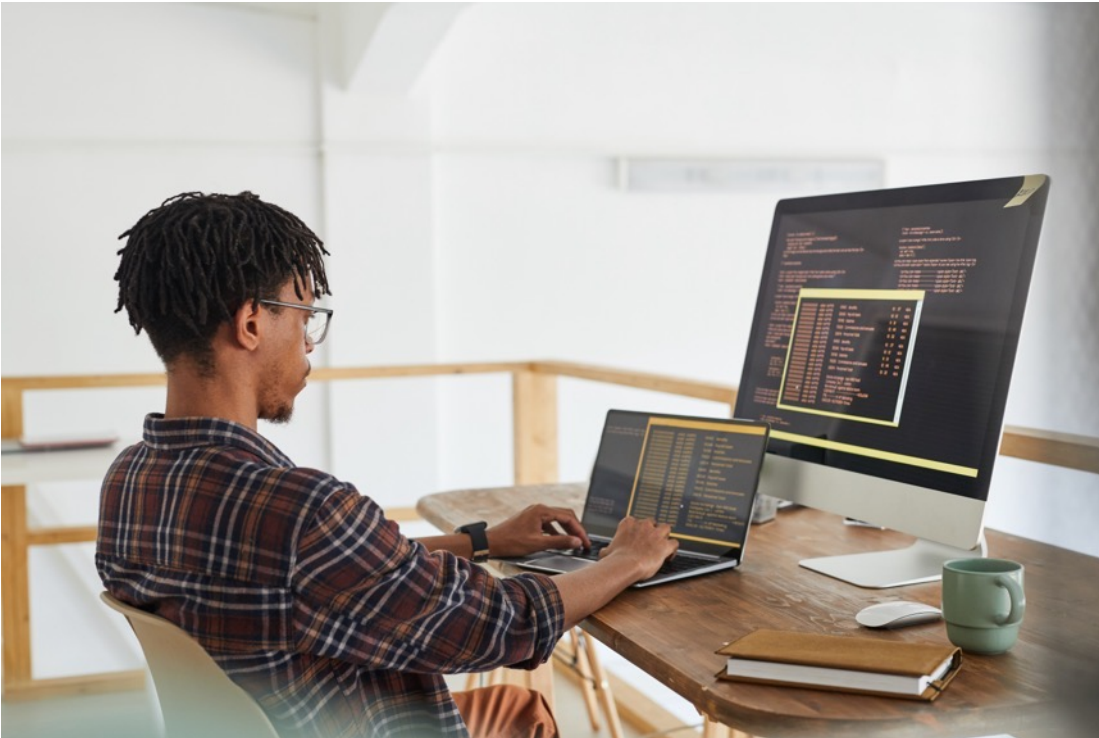
Multiple versions created in seconds



# Airo Insights make your website better

Launched with GoDaddy Managed WordPress

## Magical: Powered by humans



## Magical-AI – Powered by data/AI

GoDaddy | My Hosting

Overview Backups Settings Email Insights

### Insights

We've discovered 5 opportunities for improvement



#### Title tag

Add a descriptive title that includes relevant keywords. Limit to 60 characters.



#### Description tag

Add a compelling and concise description that summarizes the website's content. Limit to 160 characters.

##### Suggested description

We create unique environments through contextual minimalism and sustainable design. Contact us for beautiful, efficient, and inspiring architectural projects.



##### Suggested HTML

```
<meta name="description" content="We create unique environments through contextual minimalism and sustainable design. Contact us for beautiful, efficient, and inspiring architectural projects.">
```



Make these changes for me

How can I fix this in WordPress?



#### Images

Add alt attributes to the images to improve accessibility and provide context to search engines.



# Airo for Commerce beta in Q1 2024

Launched with GoDaddy Managed WordPress

## Structured – Powered by Process

Product type

Physical  
A physical product

Video/Digital  
Downloadable content, video, audio, music, etc.

Product name \*

Broken Heart Rubber Band Bracelet

Price \*

\$ 9.99

Sale price

\$ 0

Product category

None

SKU \*

RBBR-001-BM96

Tax category

Standard

Visible on my store

Yes

Description

Inventory & Options

Shipping

Search Engines

Identifiers

Get an AI-suggested product description

We'll create some content for you, based on your product image and title

Suggest Description

This Broken Heart Rubber Band Bracelet is a unique and stylish accessory. Made from a pink and blue rubber band, it features a heart-shaped design that has been intentionally broken, symbolizing the beauty of imperfection. The bracelet is handcrafted with care and attention to detail, resulting in a one-of-a-kind piece. It is a perfect gift for someone who appreciates unconventional jewelry and embraces the concept of embracing flaws. Add a touch of whimsy to your outfit with this eye-catching Broken Heart Rubber Band Bracelet.

Save

Save and Add Another

Cancel

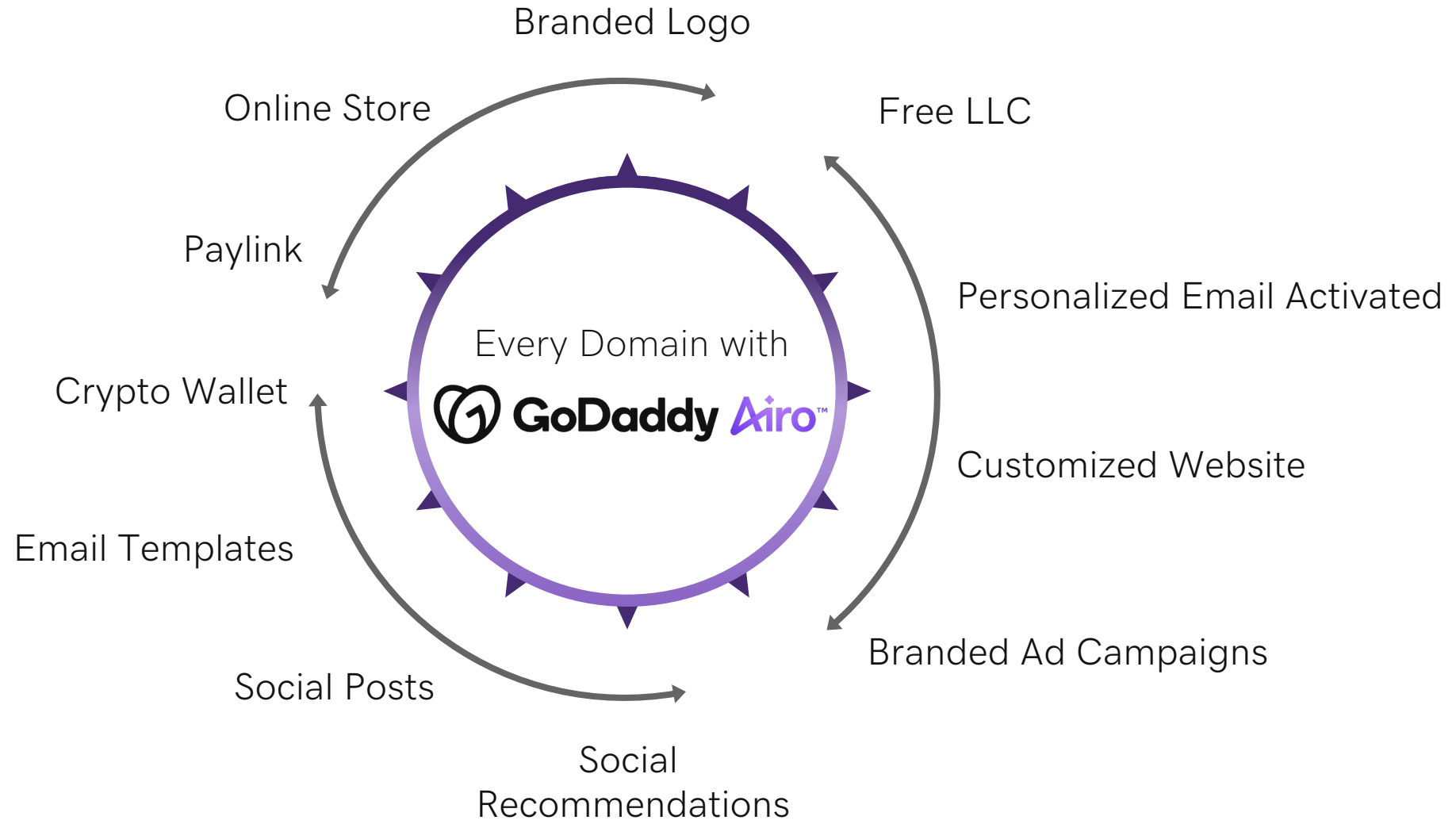
## Magical-AI – Powered by data/AI





# A domain is **NOT** just a domain anymore

A domain leads to GoDaddy's breadth of products with monetization opportunities





**GoDaddy**

# **GoDaddy Airo**

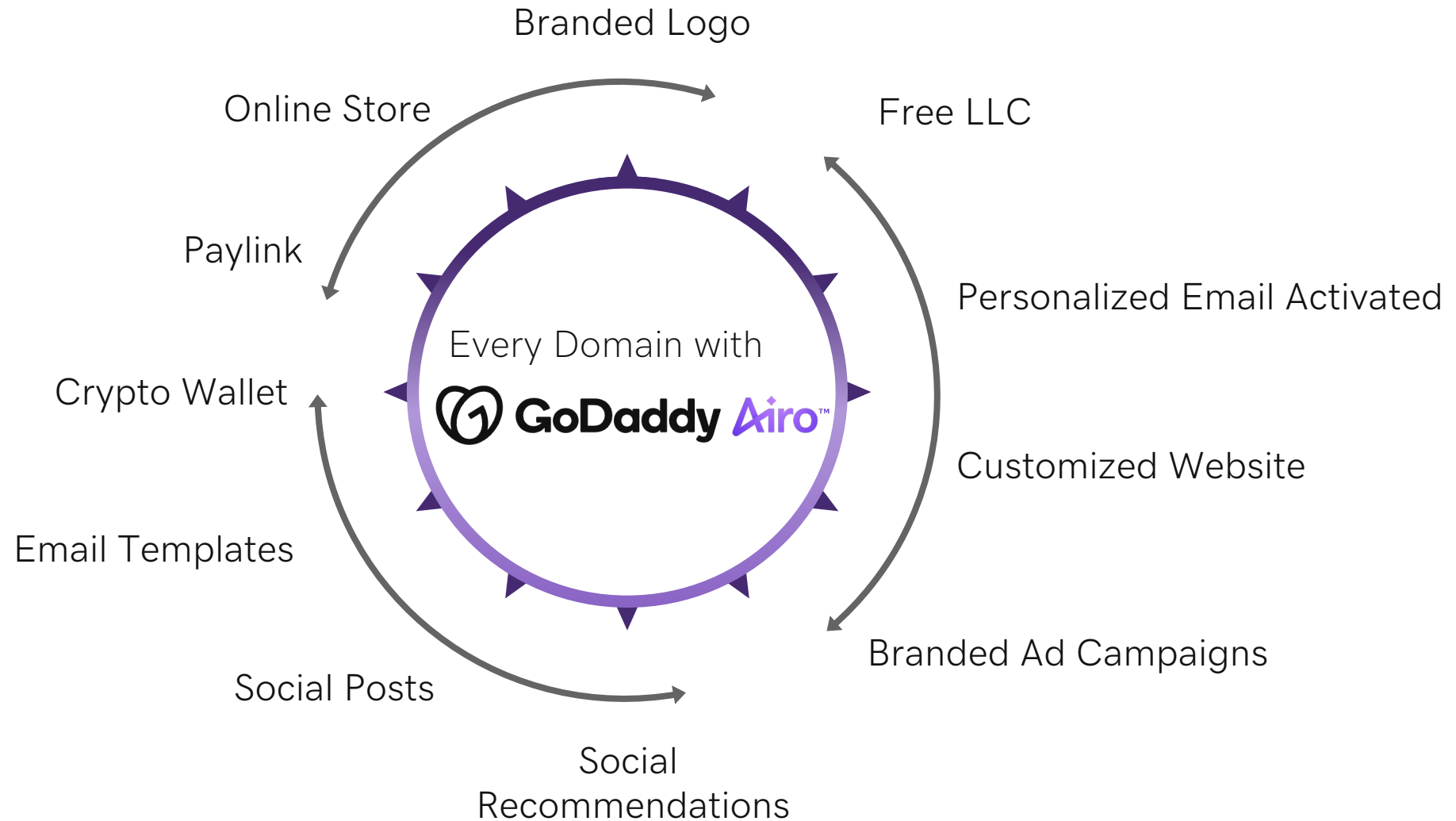
Gourav Pani | President, US Independents

Investor Day | March 6, 2024



# A domain is **NOT** just a domain anymore

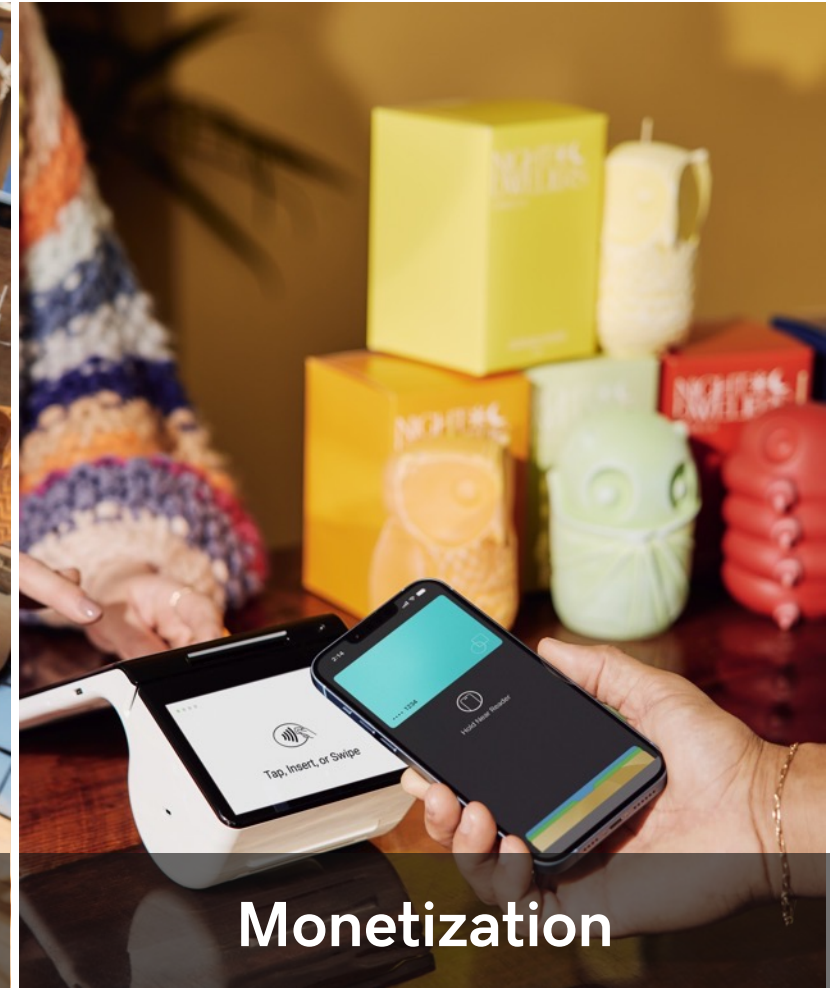
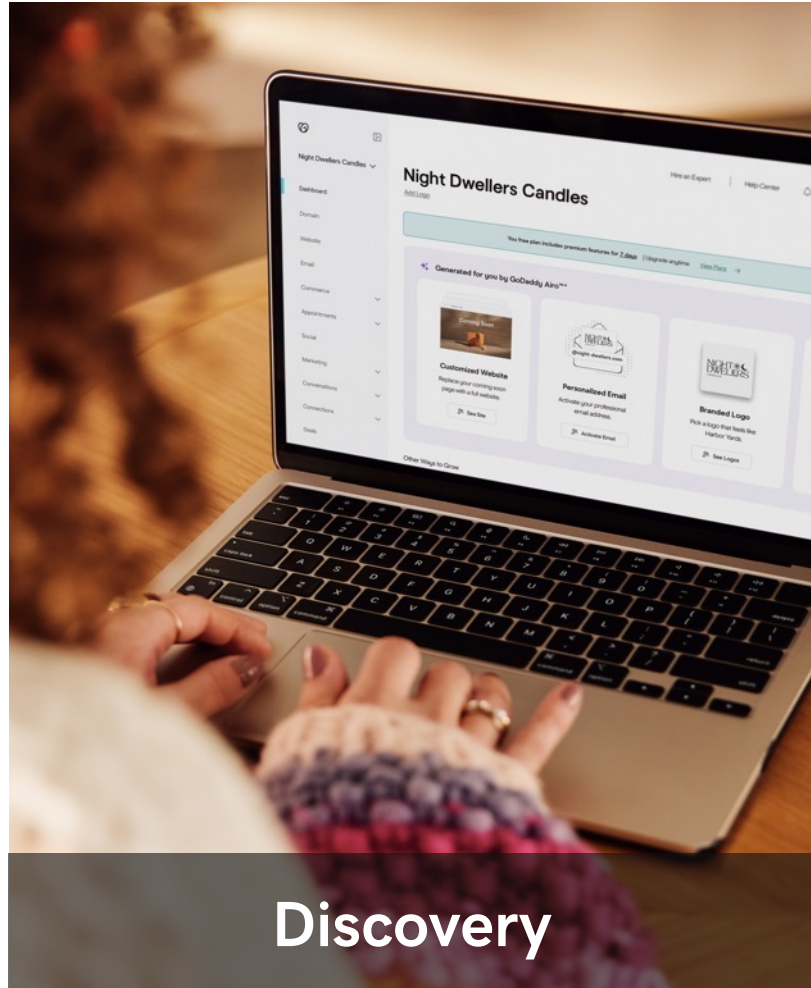
A domain leads to GoDaddy's breadth of products with monetization opportunities





# GoDaddy Airo's success measured in three steps

Airo is a winner from the very first test





# GoDaddy is the largest **Domain Innovator** in the world!

We have reinvented domain search using AI



**21M**

**Customers**



**85M**

**Domains Under  
Management**



# Airo Domain Search finds names never found before!

“Genius for finding the perfect name!”

## Discovery

10K impressions per day

## Engagement

5% of users type in a prompt

## Monetization

Early signals are positive

## Rollout Status

Launched globally; next step is to include in all domain searches

Demo | Data on this slide is for a specific test

Hello, success!

### Bakery Bread Bliss

♥ bakerybreadbliss.com

~~\$21.99~~ **\$0.01**  
1st yr only with 3 yr term ⓘ



### Bread And Broetchen

♥ breadandbroetchen.com

~~\$21.99~~ **\$0.01**  
1st yr only with 3 yr term ⓘ



### Bread Basket Ia

♥ breadbasketia.com

~~\$21.99~~ **\$0.01**  
1st yr only with 3 yr term ⓘ



### Bread Heaven Des Moines

♥ breadheavendesmoines.com

~~\$21.99~~ **\$0.01**  
1st yr only with 3 yr term ⓘ



I am starting a bakery in Des Moines, IA. I specialize in Pumpernickel Bread and Brotchen.







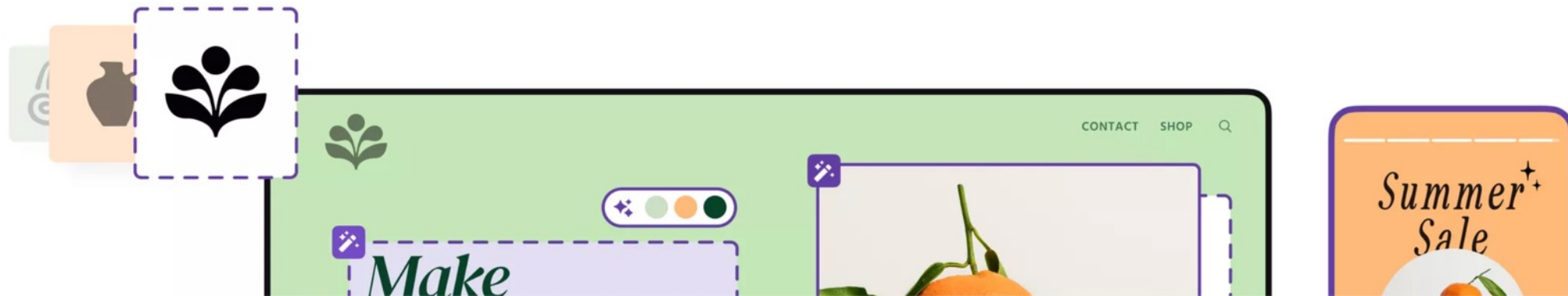
# Go from zero to “you did it” with GoDaddy Airo™

Say hello to our AI-powered, customizable solution that’s included with your new domain purchase.

With just a few quick details about your business, it instantly provides a logo, website, email, payment capabilities, social posts, LLC setup, and more\* — everything you need to get online and start wowing customers.

Tell us about your idea or business, then AI gives you options.

Try AI Domain Search





# Customers are loving these logos

“Effortlessly stunning designs, boosting my brand’s image instantly!”

## Discovery

23K impressions per day

## Engagement

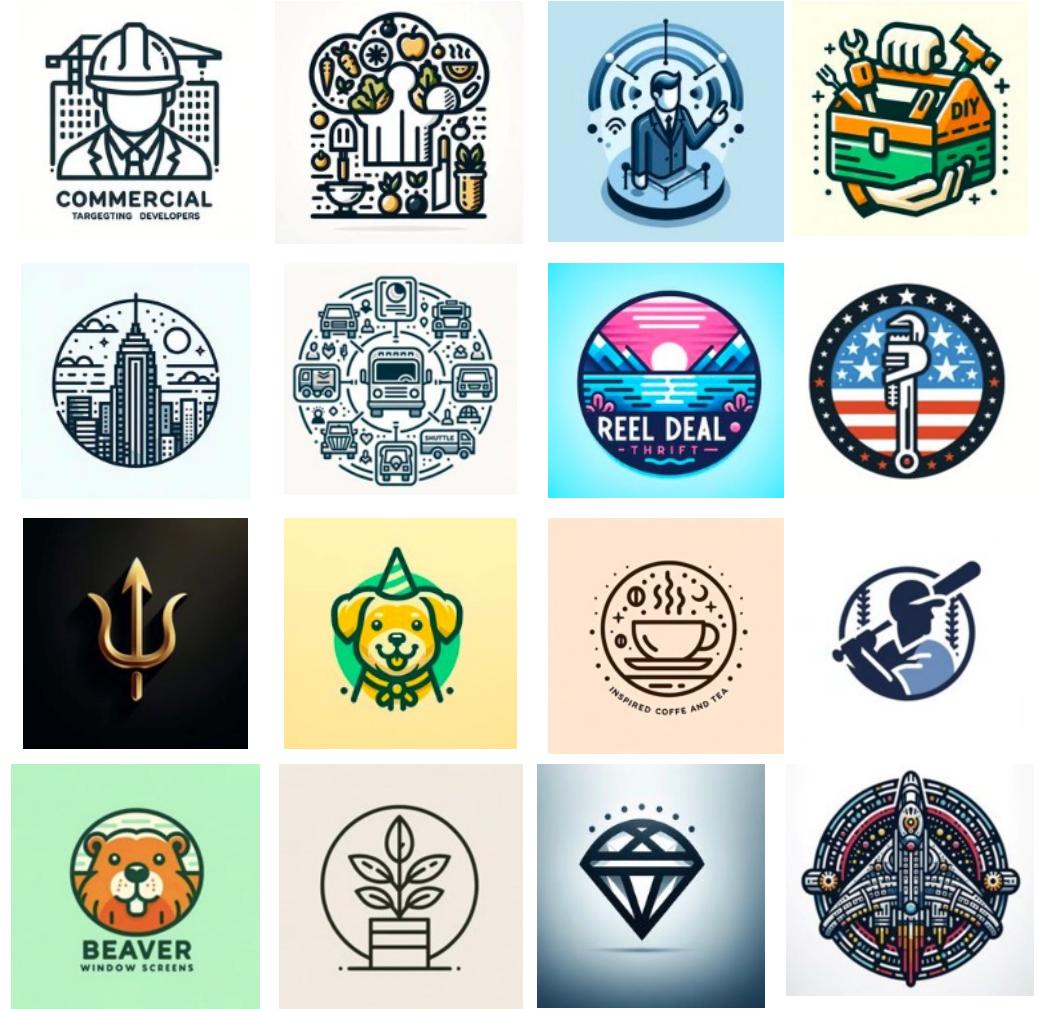
6% click to generate logos

## Monetization

Paywall will be tested next

## Rollout Status

A|B test in AU, CA, US and UK





# Multiple variants generated giving customers choice

“So many possibilities for my online presence!”

## Discovery

2,000 impressions per day

## Engagement

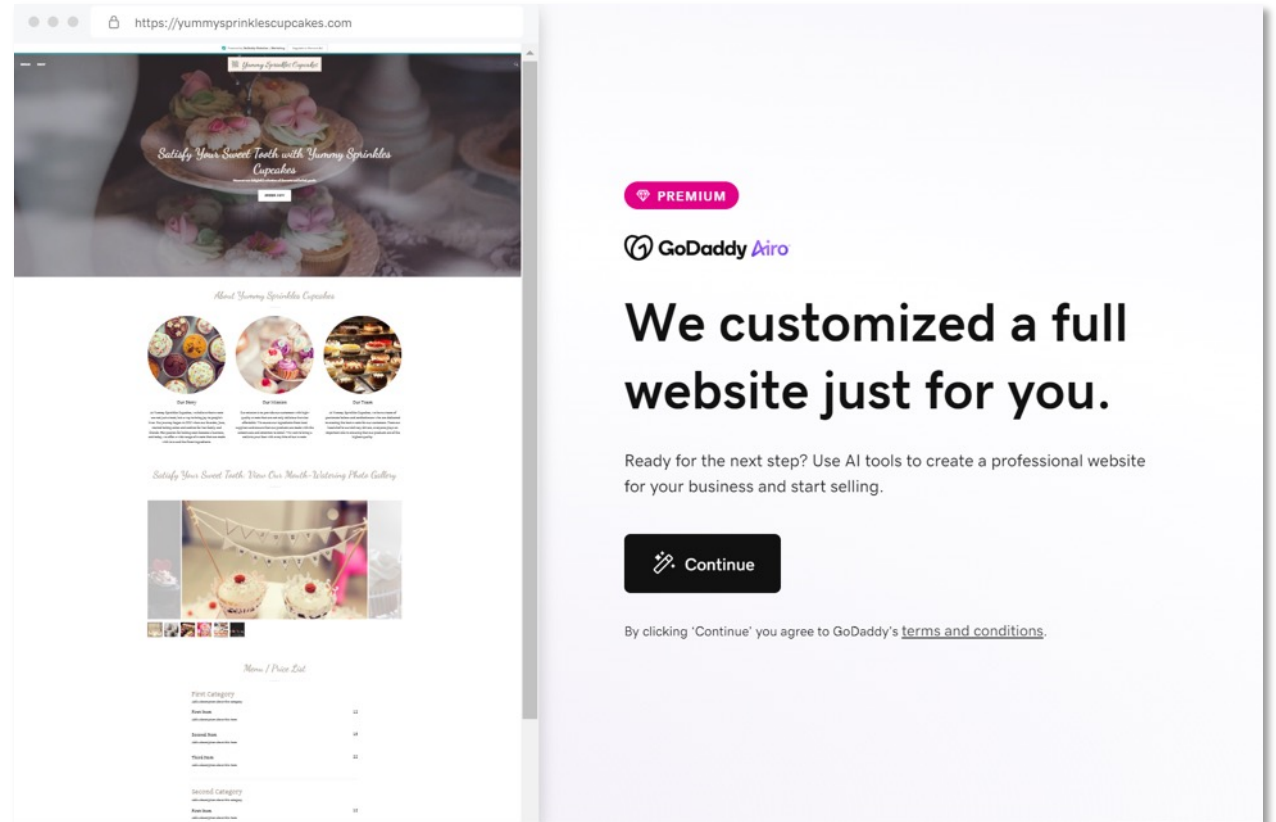
Positive but not stat sig yet

## Monetization

Paywall will be tested next

## Rollout Status

Ongoing test with US W+M





# Automated website diagnostic and resolution tool

Airo Insights finds improvements in websites and then makes the changes

## Discovery

4,500 impressions per day

## Engagement

240 reports generated per day

## Monetization

Paywall will be tested next

## Rollout Status

Ongoing test with US MWP

The screenshot displays the 'Insights' section of the GoDaddy Airo tool interface. At the top, navigation links include Overview, Backups, Settings, Email, and Insights (which is highlighted). Below the navigation, the user's account and hosting information are shown: 'My Account / Hosting / o9c.4fd.myftpupload.com'. The main heading is 'Insights', followed by a summary: 'GoDaddy Airo™ has discovered 4 opportunities for improvement'. The first opportunity is 'Title Tag', which states: 'The title seems to be missing keywords. Consider adding relevant keywords to improve SEO.' It provides a 'Suggested title' and 'Suggested HTML' code snippet, both of which are 'Daring Rebel - Fashionable and Comfortable T-shirts for All Occasions'. A purple button labeled 'Make these changes for me' is present, along with a link 'How can I fix this in WordPress?'. The second opportunity is 'Image Tags', stating: 'There are 6 images that lack alt descriptions tags, a missed opportunity.' The third is 'Twitter Card', stating: 'The Twitter card is missing. Add a title, description, image and URL for better social media sharing.' At the bottom, a summary bar says 'Your site is doing great in these 3 areas.' with a 'Show All' link.

This is a feedback card with a bell icon at the top. The title is 'Your opinion matters to us.' The text reads: 'We're on a mission to provide you with the best possible experience while managing your website. Let us know if these website insights were helpful. It won't take more than a minute or two, but it will make a world of difference.' At the bottom is a 'Leave Feedback' button.



# Strong positive result on early Payable Domains test

“Turning my domain into a money-making machine!”

## Discovery

6,000 impressions per day

## Engagement

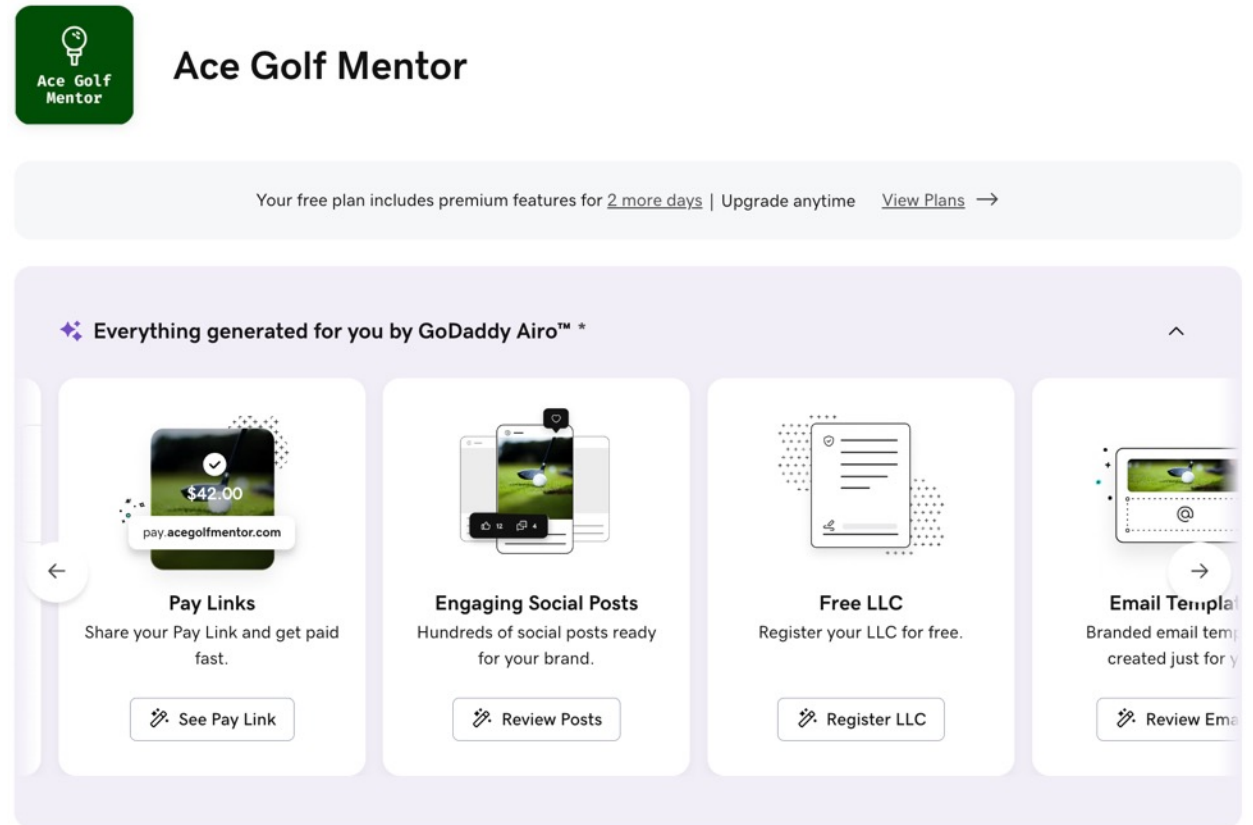
+18% Paylink activation rate

## Monetization

Via transaction fees

## Rollout Status

A/B test in US, CA





# Coming soon to every domain at GoDaddy

By March 31, capabilities will begin to roll out across our customer base



21M

Customers



85M

Domains Under  
Management



# Websites + Marketing Catalog now powered by GenAI

“Making online store setup a breeze”

## Discovery

Experiment launching shortly

## Engagement

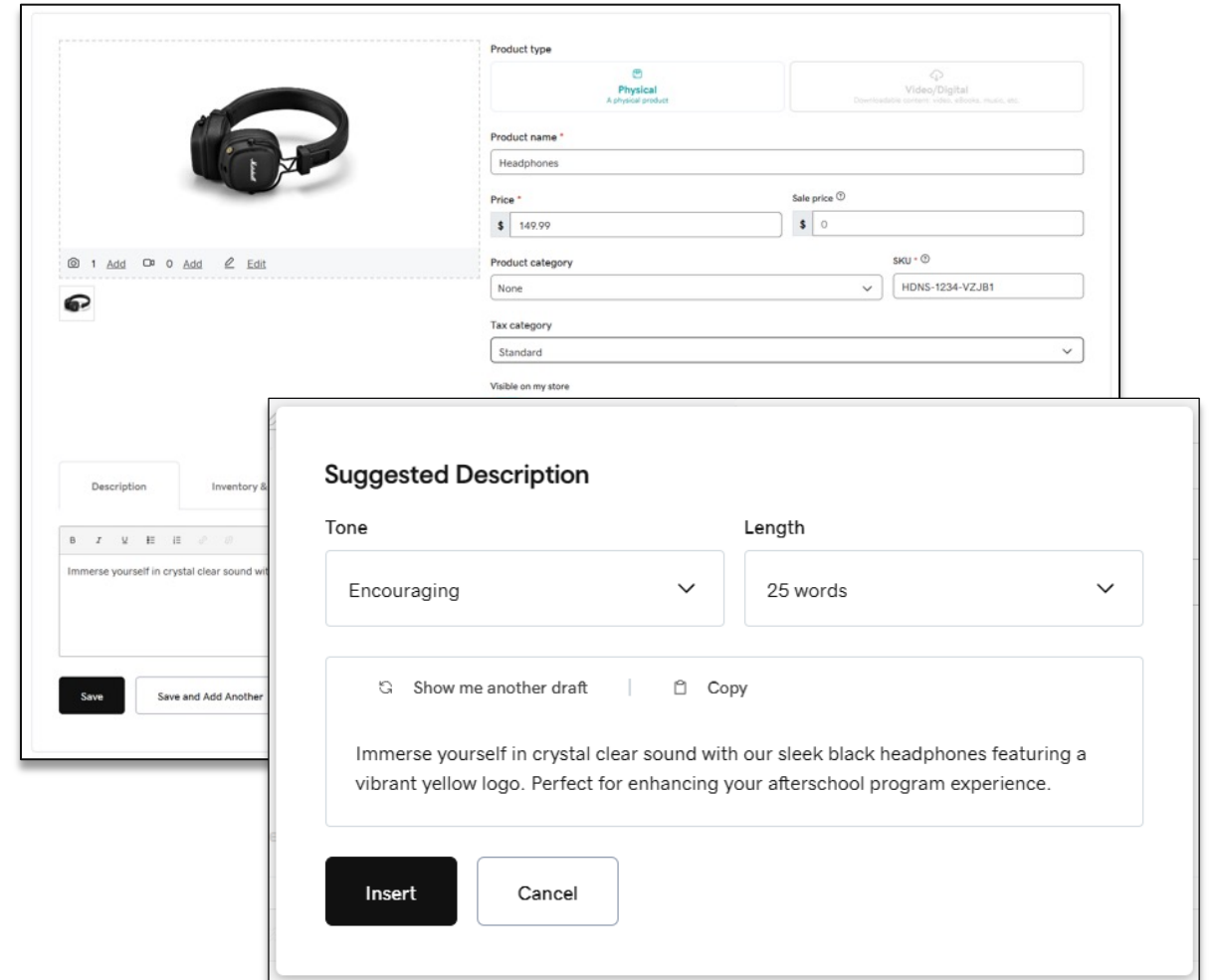
Experiment launching shortly

## Monetization

Paywall will be tested next

## Rollout Status

A/B test in AU, CA, US and UK



The image shows a product setup interface for headphones. The main form includes fields for Product type (Physical/Digital), Product name (Headphones), Price (\$149.99), Sale price (\$0), Product category (None), SKU (HDNS-1234-VZJB1), and Tax category (Standard). A 'Suggested Description' modal is open, displaying a generated description: 'Immerse yourself in crystal clear sound with our sleek black headphones featuring a vibrant yellow logo. Perfect for enhancing your afterschool program experience.' The modal also includes options for Tone (Encouraging) and Length (25 words), along with buttons for 'Show me another draft', 'Copy', 'Insert', and 'Cancel'.

Product type

Physical  
A physical product

Video/Digital  
Downloadable content: video, eBooks, music, etc.

Product name \*

Headphones

Price \*

\$ 149.99

Sale price ⓘ

\$ 0

Product category

None

SKU ⓘ

HDNS-1234-VZJB1

Tax category

Standard

Visible on my store

Description

Inventory &

B Z W E S

Immerse yourself in crystal clear sound with

Save

Save and Add Another

**Suggested Description**

Tone

Encouraging

Length

25 words

Show me another draft

Copy

Immerse yourself in crystal clear sound with our sleek black headphones featuring a vibrant yellow logo. Perfect for enhancing your afterschool program experience.

Insert

Cancel



GoDaddy

# Commerce

Kasturi Mudulodu | President, Commerce

Investor Day | March 6, 2024




*Brewed Bliss*  
**PALO ALTO**



Kiki

a small businesses owner  
who runs a coffee shop in  
Palo Alto



A woman with vibrant red curly hair is sleeping peacefully at a dark, round table in what appears to be a cafe or bakery. She is wearing a white button-down shirt and has her arms crossed under her head. Three speech bubbles float above her, each containing a different complaint. The background is dark and out of focus, showing shelves with various items.

My help  
called in sick.

Deliveries are late.

Out of croissants,  
and I'm running  
out of coffee.







# Small business challenges

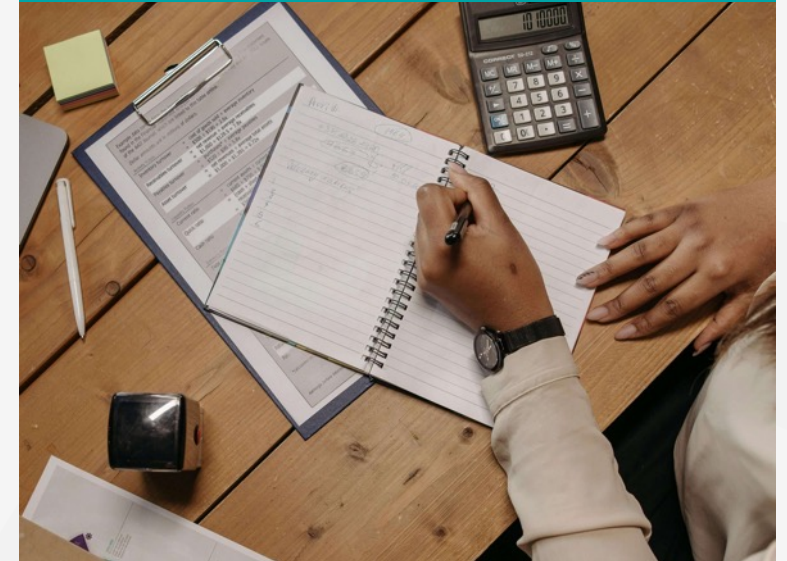
## 1 Managing inventory



## 2 Online ordering



## 3 Tip management





# Smart Terminal Flex







Airo Cafe



Home

Orders

Transactions

Catalog

Payouts

Reports

Customers

Sales Channels + ADD

In Person

Online Ordering

Payment Tools + ADD

Pay Links

Virtual Terminal

Invoicing

App Center + ADD

Godaddy Network Login

# Catalog

Products

Categories

Favorites

Discounts

Fees

Taxes



It's time to add your products so you can start selling



Create a Product



Import from CSV

Ask Airo™

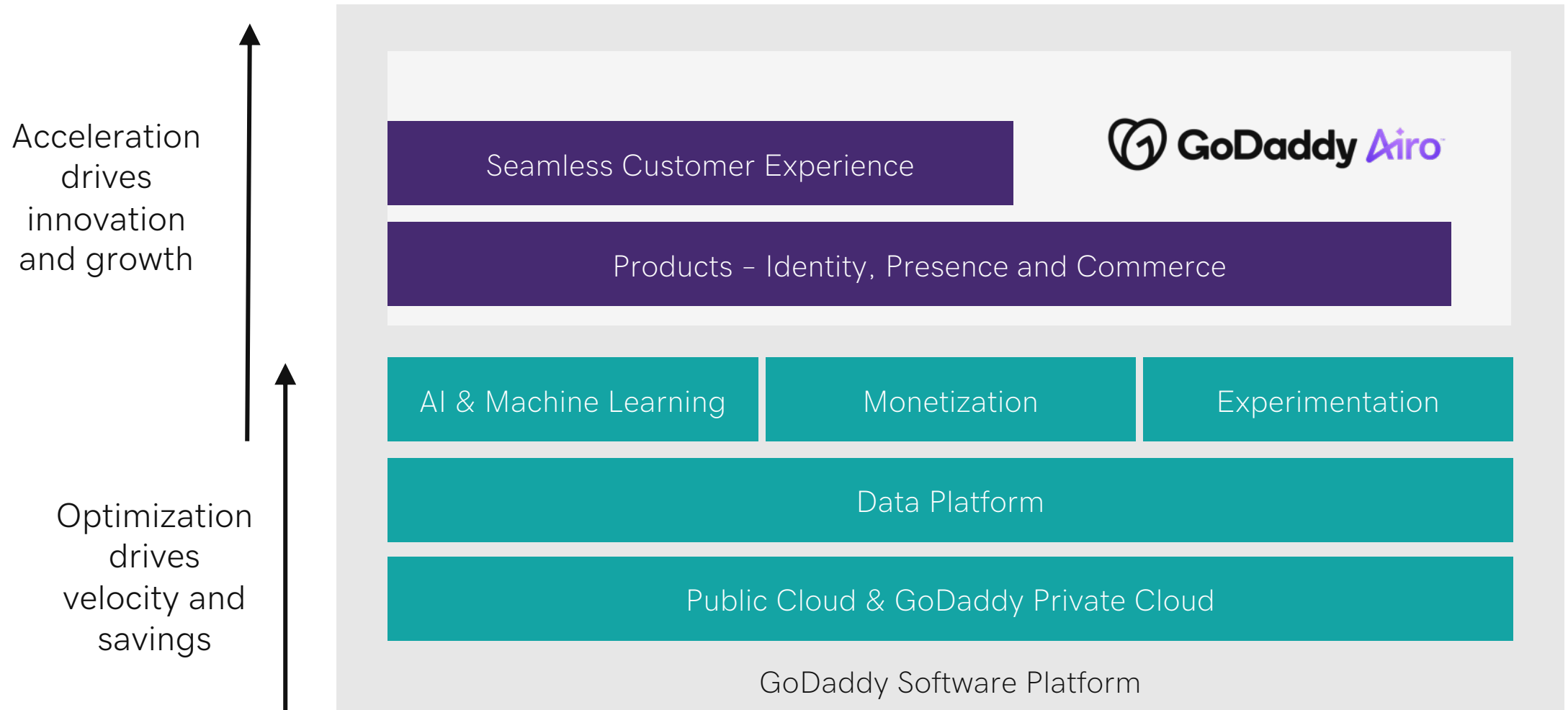


Contact Us



# Platform approach to building experiences for customers

GoDaddy Software Platform powers the drivers of our business







Kiki's Coffee ▾

Home

Orders

Transaction

Catalog

Settlements

Reports

Customers

Sales Channels ADD

In Person

WooCommerce Store

Payment Tools ADD

Pay Links

Virtual Terminal

Invoices

Help Center



HL



# Catalog

All Products

Categories

Favorites

Discounts

Fees

Taxes

Search by name



More Actions ▾







Create Product

Category ▾

Price ▾

On Hand ▾

✓ Recently Imported

	<input type="checkbox"/>		Name	Price	On Hand ⓘ	Categories	
▾	<input type="checkbox"/>		Americano CONT-AMER-003	\$1.45  \$2.95	120	Drinks	⋮
	<input type="checkbox"/>		Mocha ADC-MOCHA-001			Food	⋮
	<input type="checkbox"/>		Croissant BH-CROIS-002			Food	⋮
▾	<input type="checkbox"/>		Cappuccino BH-CAPPU-002			Drinks	⋮
	<input type="checkbox"/>		Latte				

 GoDaddy Airo



## Growth Recommendation

Increase Americano price by \$1.50.

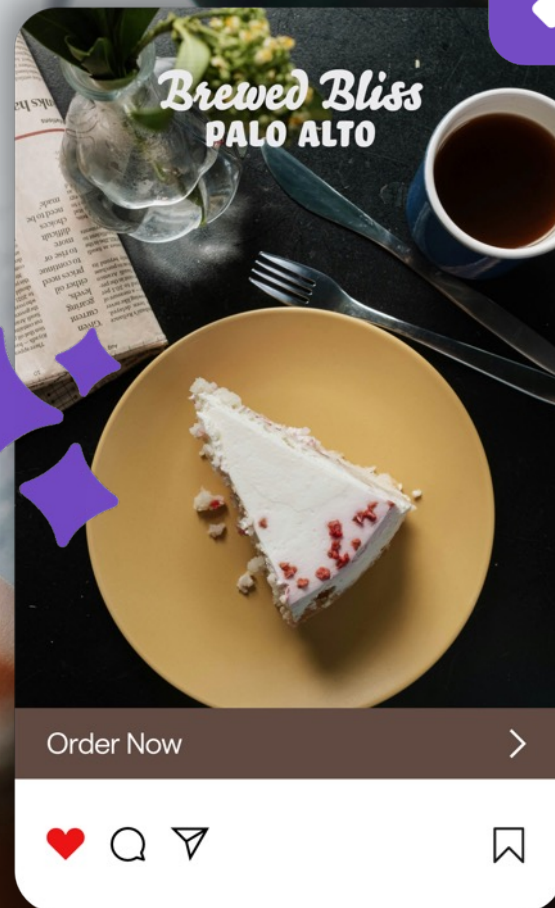
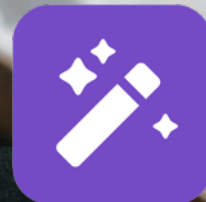
Set Price

[Learn more](#) about this recommendation.











# Future Airo-powered subscription plan



Retail  
Solutions

**\$XX.XX**

Buy Now

- ✓ Unlimited Products
- ✓ Inventory mgmt.
- ✓ Online Selling
- ✓ Roles



Services  
Solutions

**\$XX.XX**

Build Your Bundle

- ✓ Invoicing
- ✓ Estimates
- ✓ ACH
- ✓ Accounting Sync



Restaurants  
Solutions

**\$XX.XX**

Buy Now

- ✓ Unlimited Products
- ✓ Online ordering
- ✓ Kitchen display Integration



## Recommended solutions for you

Based on the description  
of your business, we  
recommend the following  
products to [sell online](#)  
and [in-person](#).

Start For Free

[Home](#) [Shop](#) [About](#) [Contact Us](#)



**Metropolitan  
Chic**





**Addressable GPV in GoDaddy customer base**



**\$1 Trillion GPV  
opportunity**

**Grew aGPV by 125% Y/Y in 2023**



GoDaddy

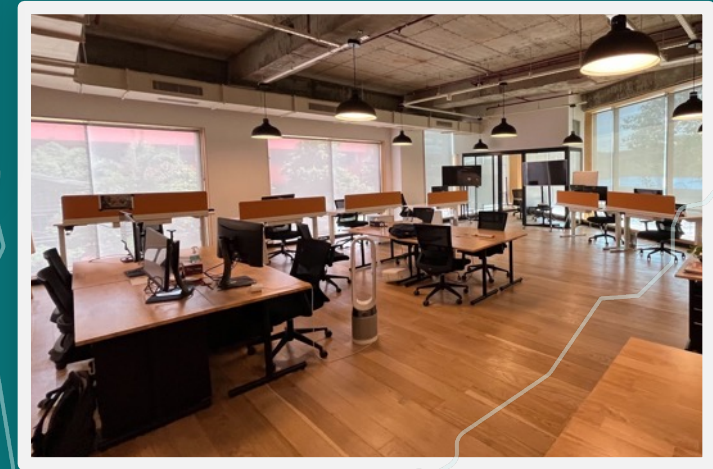
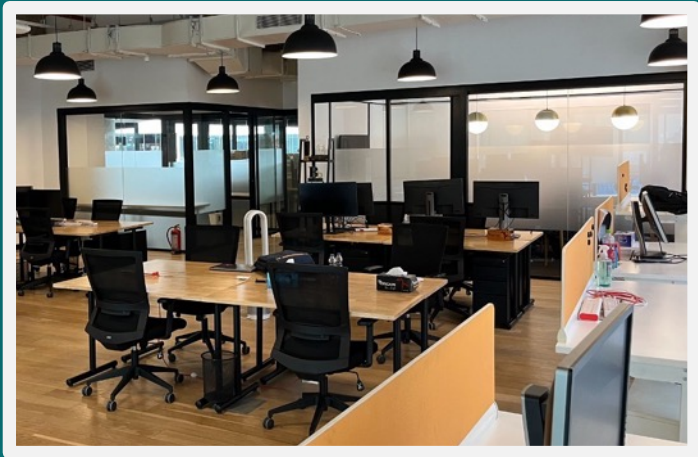
# International

Laura Messerschmitt | President, International

Investor Day | March 6, 2024



# Our office in India



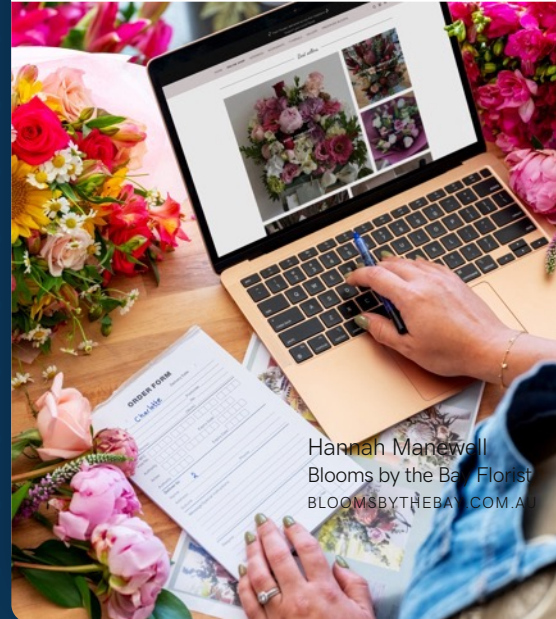


# GoDaddy International by the numbers

10M  
customers



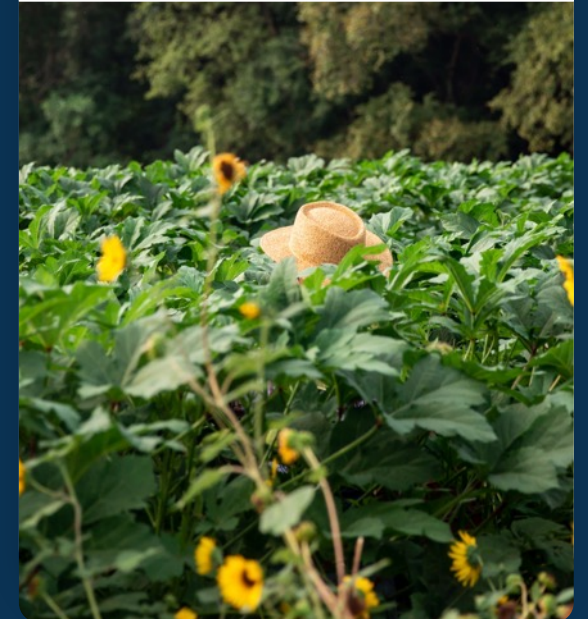
\$1.4B  
revenue



150+  
markets



#1  
domains in top  
English markets





# Attaching Applications & Commerce to Domains

A faint, light blue world map is visible in the background of the slide, showing the outlines of continents and countries.

Regional marketing .....▶▶ Global campaigns and scale

---

Localized products .....▶▶ Global software platform with local touches

---

Domain-heavy business .....▶▶ Small business SaaS provider



coffee shop in toronto

RESULTS FILTER

EXACT MATCH

coffeeshopintoro

~~€\$21.99~~ C\$0.01

1st yr only with 3 yr term ⓘ

Make It Yours

Restrictions apply. ⓘ

Why it's great: "Coffee sh  
keyword that has an avera  
C\$2,727.00.



AI Domain Search

# Idea to online at the speed of wow.

Tell us about your idea, product or service in  
your prompt - and let AI amaze you.

By using the AI Domain Search you agree to GoDaddy's [AI Terms of Use](#),  
[Universal Terms of Service](#) and [Privacy Policy](#).

We are opening a second Kiki's coffee shop. This time in Toronto. |



Contact Us





Phoenix Law  
and Associates



**Kingsley and  
Sheffield Solicitors**



## Expert Legal Representation for Your Needs

Personalized legal solutions tailored to your unique circumstances

Contact Kingsley and Sheffield Solicitors





Hire An Expert

Help Center



MH



# Fine Bloom Plantings

Your free plan includes premium features for [7 more days](#) | Upgrade anytime [View Plans](#) →

✦ Everything generated for you by GoDaddy Airo™ \*



## Customized Website

Replace your coming soon page with a full website.

View Site



## Personalized Email

Activate your professional email address.

Activate Email



## Branded Logo

Pick a logo that feels like Fine Bloom Plantings.

See Logos



## Engaging Social

Hundreds of social posts for your brand

Review Pos

Ask Airo™



# Reducing complexity through strategic focus and scale

## Redefined international structure

Top English markets:  
United Kingdom, Canada,  
Australia

Rest of world

## Streamlined business operations and marketing

Common GTM models  
Consolidated market sites  
Reduced complexity

## Flexible investments geared towards growth

Gated testing to unlock scale  
(product, pricing)  
New care models and  
iterative testing







# Expansion opportunity in emerging markets

A world map with a dark blue background. Countries in North America, Europe, and Australia are shown in a lighter blue. Countries in South America, Africa, the Middle East, and Asia are highlighted in a darker red color, indicating emerging markets. The map is centered on the Atlantic Ocean.

6.7B people

---

> 50% of new international customers

---

\$400M in revenue

---

NOTE: GoDaddy does not sell in sanctioned countries and Russia.



GoDaddy

# Marketing

Fara Howard | Chief Marketing Officer

Investor Day | March 6, 2024





GoDaddy started in Scottsdale, AZ as Jomax Technologies





#### Products & Services

- WebSite Complete
- Standard Edition
- Deluxe Edition
- Real Estate Edition
- Upgrade Pricing
- Web Hosting
- Photo Collection
- Go Daddy Hats & Shirts
- Product Catalog
- Partner's Products
- Incorporate Online
- Trademark Services

#### Customer Support

- Ask Tech Support
- Review Articles
- Newsletters
- Product Updates

#### Company Information

- About Go Daddy
- Employment
- Secure Ordering
- Product Guarantee
- Privacy Policy

#### Go Daddy Partners

- Partner List
- Become an Affiliate

#### Customer Login

Customer #

or

## Order Online or At:

**IT'S EASY!**  
**BUILD YOUR OWN WEB SITE TODAY!**



#### WebSite Complete - Deluxe Edition

Build your own web site -- with 6 months free web hosting, customizable templates, online shopping cart, online credit card processing, virtual tour links, event calendar and more!

[Click here to learn more!](#)

Includes 6 Months

FREE Hosting

**\$89.95**

[\[i\]](#)



#### WebSite Complete - Standard Edition

Computer novice or natural? You can have a professional website with WebSite Complete!

[Click here to learn more!](#)

**\$9.95**

[\[i\]](#)

Real Estate Agents: We've got an edition just for you. [Click here!](#)

Customer Support Forum

Which Version Is Right For You?		WebSite Complete 2.5 Deluxe Edition	WebSite Complete 2.5 Standard Edition
Key Features:	Price	<b>\$89.95</b>	<b>\$9.95</b>
	<a href="#">Upgrade Pricing</a>	<a href="#">Tell Me More</a> <b>BUY NOW</b>	<a href="#">Tell Me More</a> <b>BUY NOW</b>
Programming Skills Required		No	No
Web Site Hosting		Yes	Yes
- Price		Included*	\$9.95/mo.
- Web Statistics		Yes	Yes
- Your web site may be hosted with any 3rd party.		Yes**	Yes
Templates		480+	400+
- Professionally Designed		Yes	No
- Build Your Own		3500+	3000+
Images			
Special Add-ons		Yes	Yes
- Web Forms			

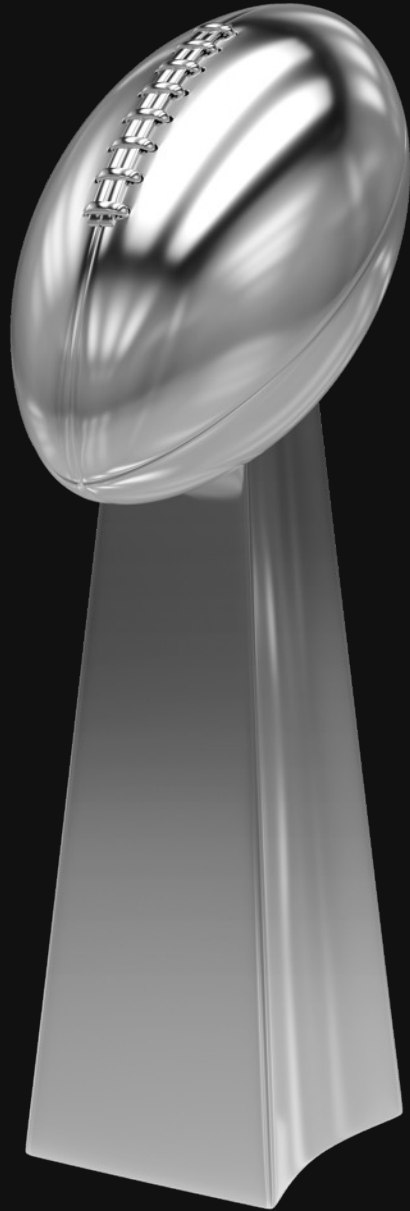
\*Add Web designers to the endangered species list. With WebSite Complete, small business owners can create Flash enabled eCommerce web site in minutes.\*

--- Thomas Claburn  
(Editor of the "A-List")  
**SMART BUSINESS**  
See more reviews & testimonials!

**Earn Income without Selling**  
Many people earn money from their web site, and you can be one them. There is an easy way you can earn more from your web site with virtually no time commitment, no start-up costs and no inventory. It's called an **affiliate program** more on this article

**Review Past Articles**  
[8/4/00](#) - Spice Up Your Web Site  
[7/28/00](#) - Why a Personal Web Site?  
[7/21/00](#) - A Refreshing Look at Your Web Site





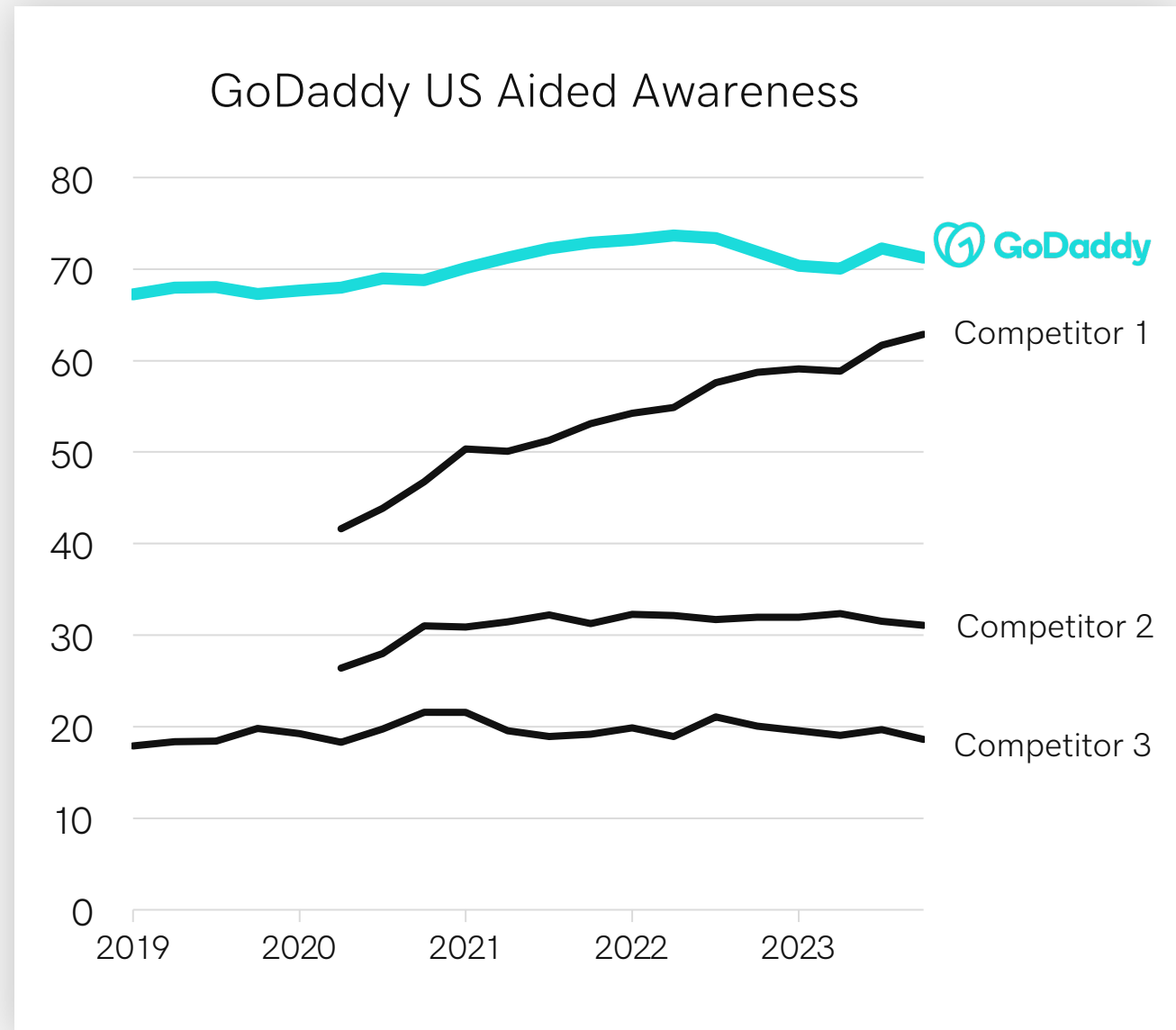
Bold tactics and **twelve Super Bowl spots** drove name recognition for GoDaddy





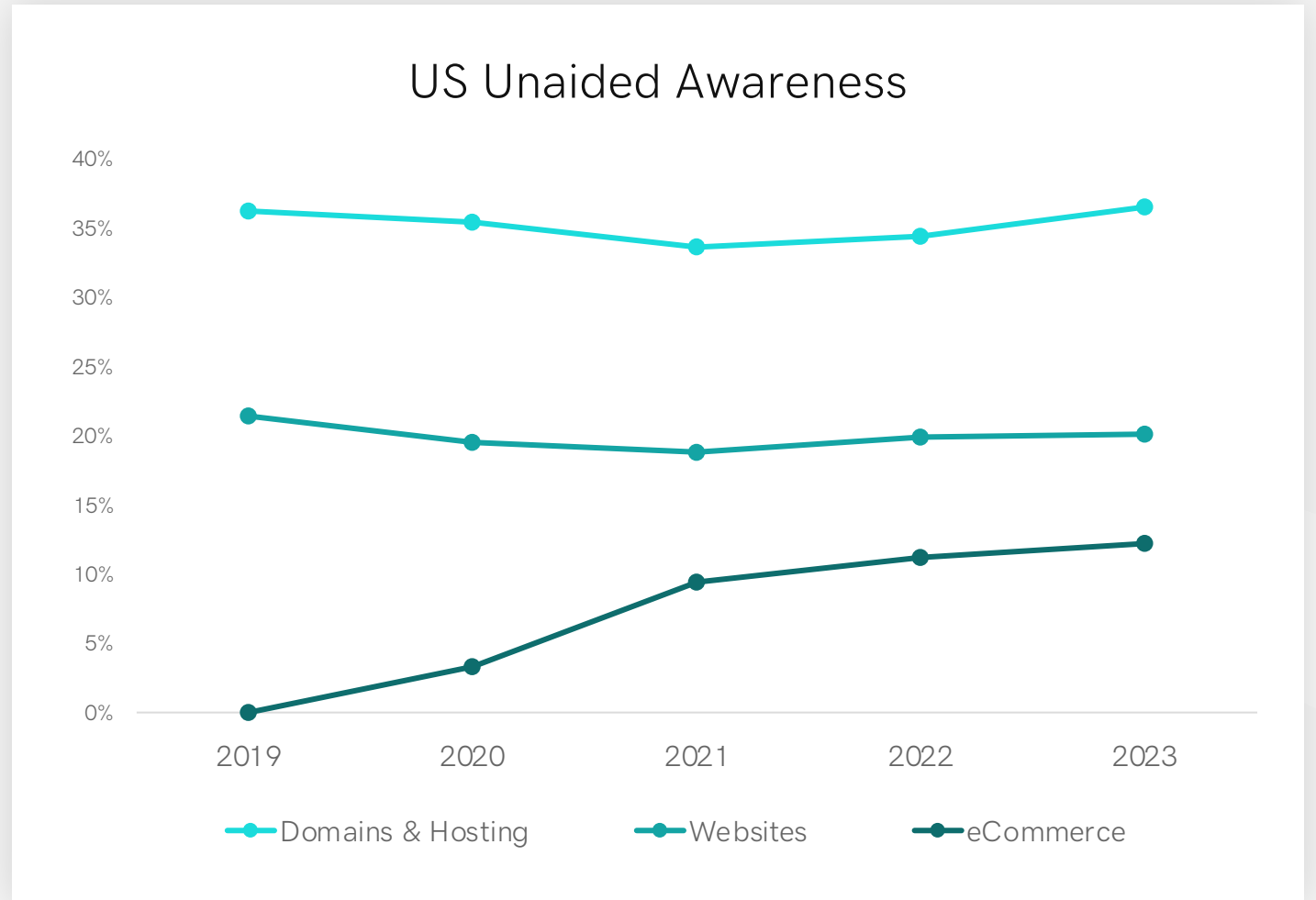


GoDaddy has the **highest Aided Awareness** in our industry





GoDaddy has driven  
**significant growth in  
eCommerce awareness**  
while maintaining  
steady domain and  
website awareness





# Leveraging our competitive advantages in marketing

## Global brand awareness

Highest brand awareness in our industry with 85M domains under management

## Scale of customer base

Nurturing relationships with our 21M customers through lifecycle marketing

## Seamless experience

Airo is a disruptive and differentiated solution directly addressing customer needs

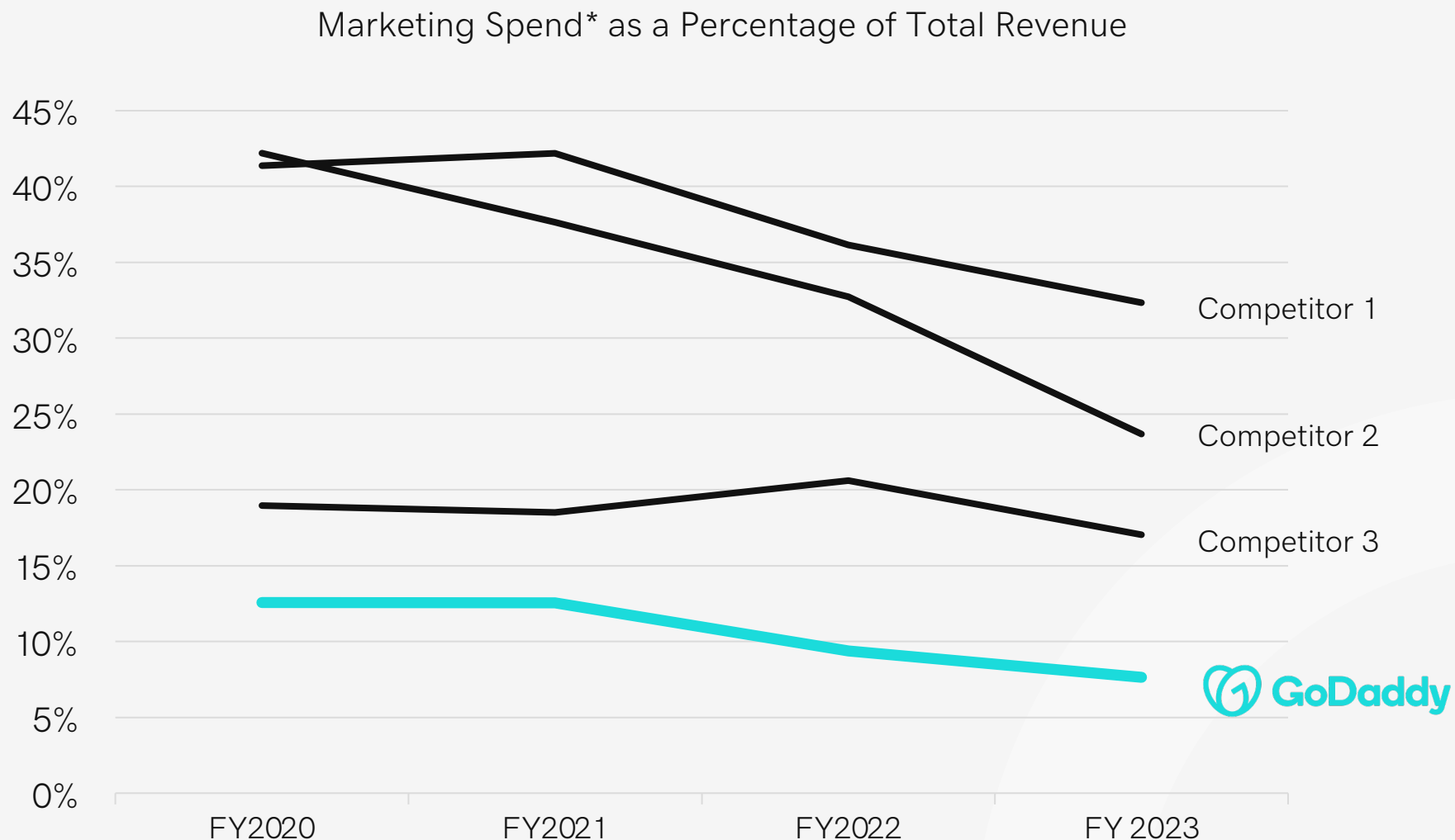
## Guidance through Care

Our brand is bolstered by our best-in-class guidance with 65+ tNPS



# Continued improvement in efficiency of marketing spend

Improvements in media, creative and direct traffic



\*Adjusted for stock-based compensation expenses

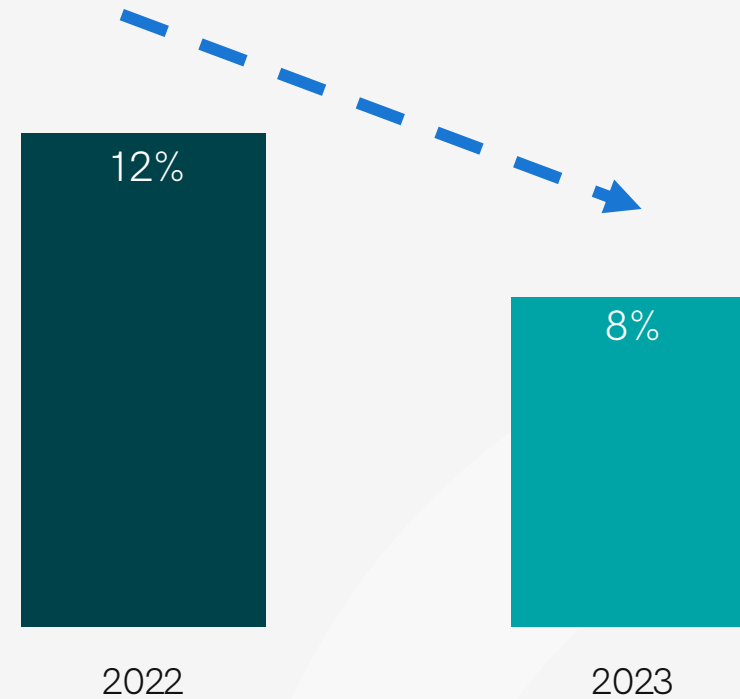


# Global scale driving reduced creative spend

Maximizing velocity while managing costs through ruthless prioritization and unified brand creative

Scaling across multiple countries and languages, supported primarily by in-house creative team

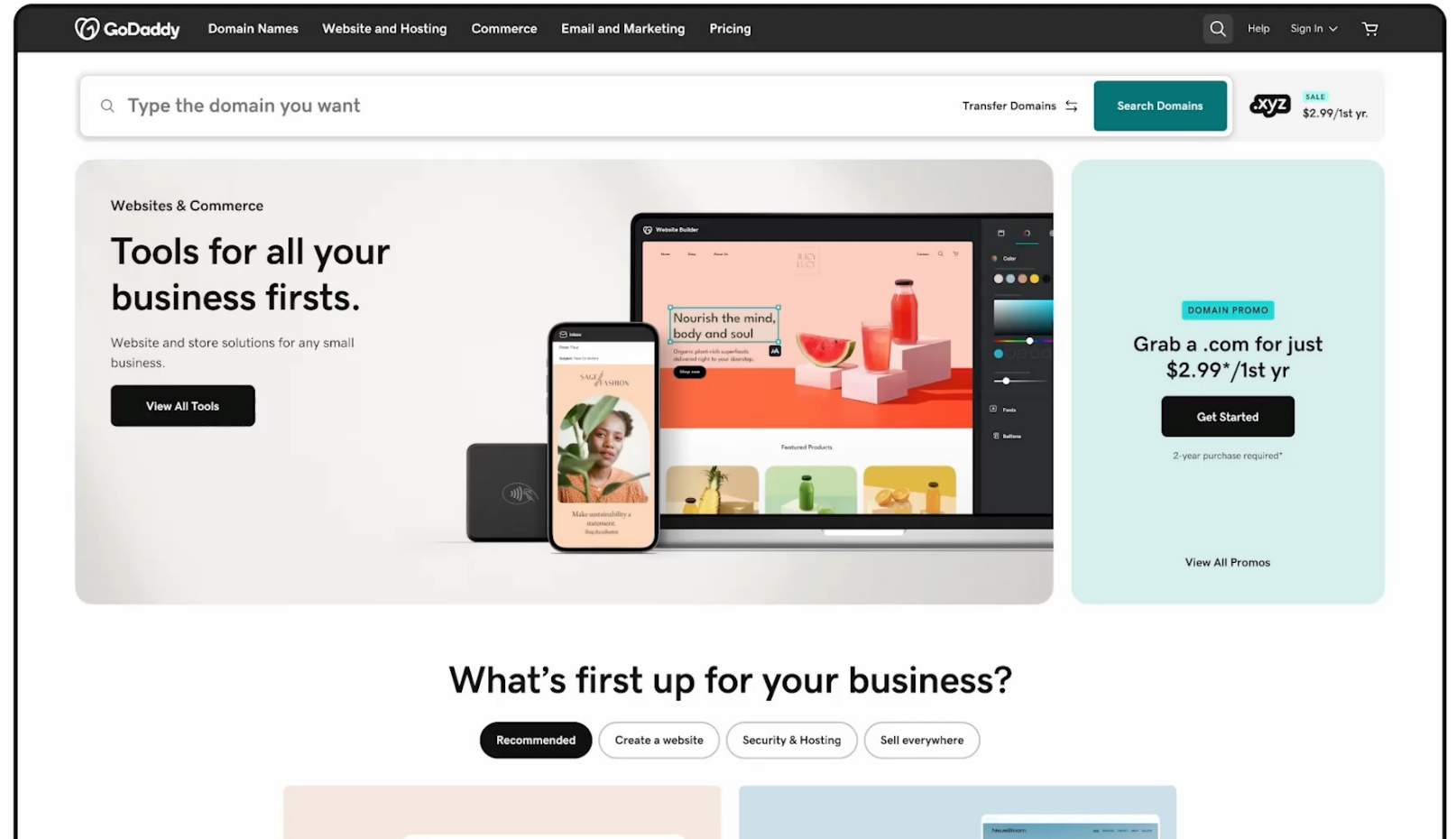
Creative spend as a percentage of total marketing spend



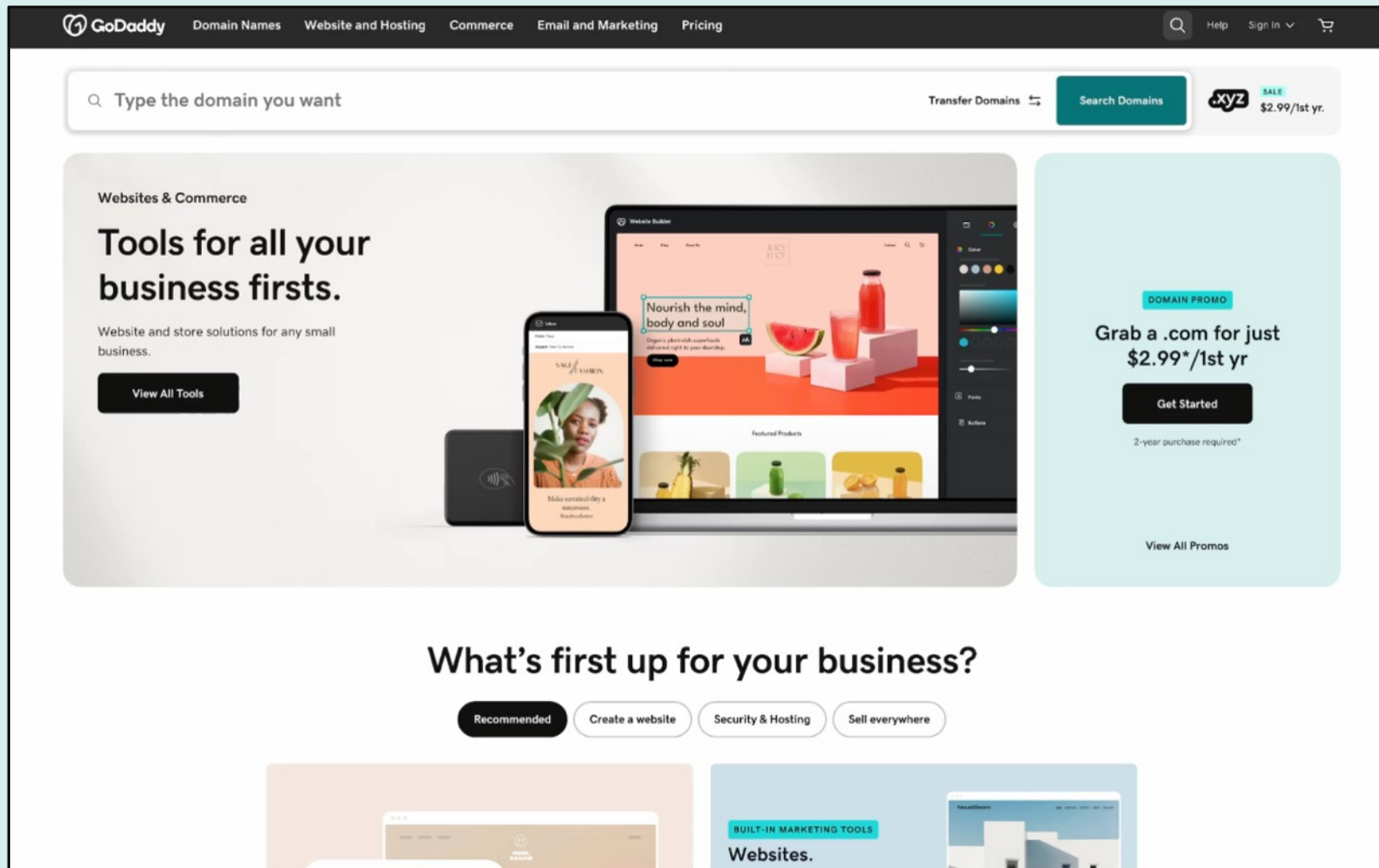


# A reimagined GoDaddy.com

Delivered meaningful improvements in customer experience and conversion, driven by robust testing on GoDaddy.com







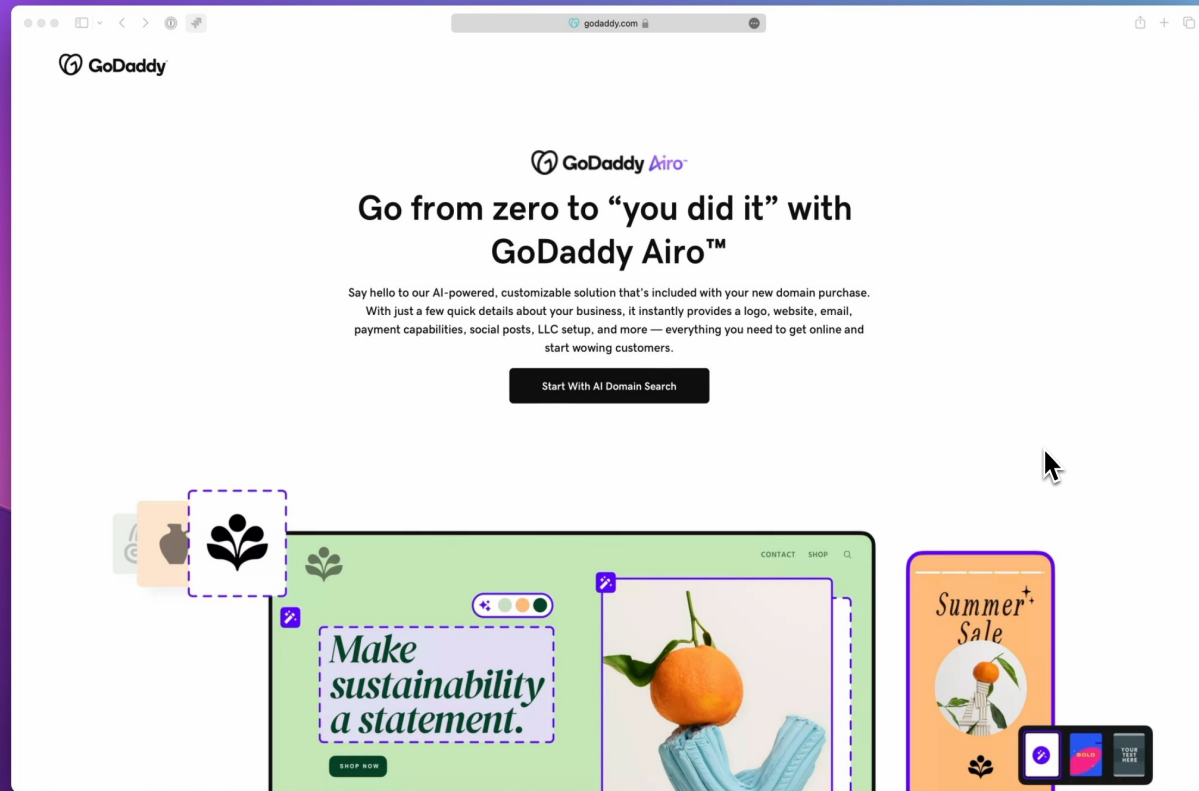
60%+  
of GoDaddy.com  
global traffic is  
direct, driven by  
the strength of  
the GoDaddy  
brand



# Powering our customers' future with Airo

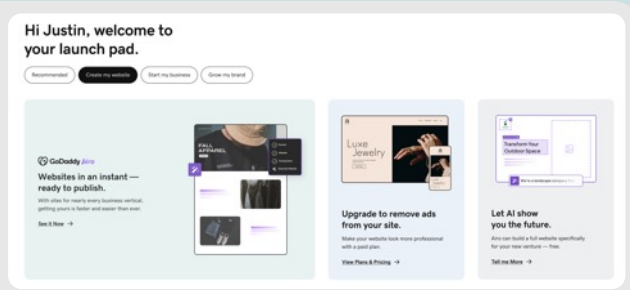
Launched GoDaddy Airo marketing in the US on February 26 and in Canada on March 1

Regional rollouts will continue throughout 2024



## Airo

Saving customers time and helping them acquire customers









**GoDaddy**

# Care

Demetria Silvera Elmore | President, Care & Services

Investor Day | March 6, 2024





**Our best-in-class  
Care & Services model**





## **Key ingredient:** **The art of discovery**

Average sales and order sizes jump  
**31%** when guides use the art of  
discovery



“I have NEVER experienced such amazing, polite, professional, and excellent customer service in my entire business career which spans 35 years in both Corporate America and self-employment!!”

“Hats off to GoDaddy for employing Claire. She is INCREDIBLE in every way!!”





# Best-in-class care



- 65+ tNPS across voice and messaging
- >\$400M in bookings in 2023 from upsell and cross sell
- 85% customer retention rate



# The power of GenAI & Care guidance









# First GABI test will save 2 million minutes



- Tested with 600 guides worldwide
- Double-digit engagement rate
- ~30% of contact will be shorter
- Global rollout in progress
- Many follow up tests lined up increasing number of use case





# Guide Assist Bot



Phone Control

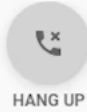
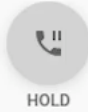
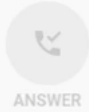
TALK: 00:00:12

6023185006

QUEUE:-  
Inbound Call

PHONE STATUS

TALKING



Guide Assist

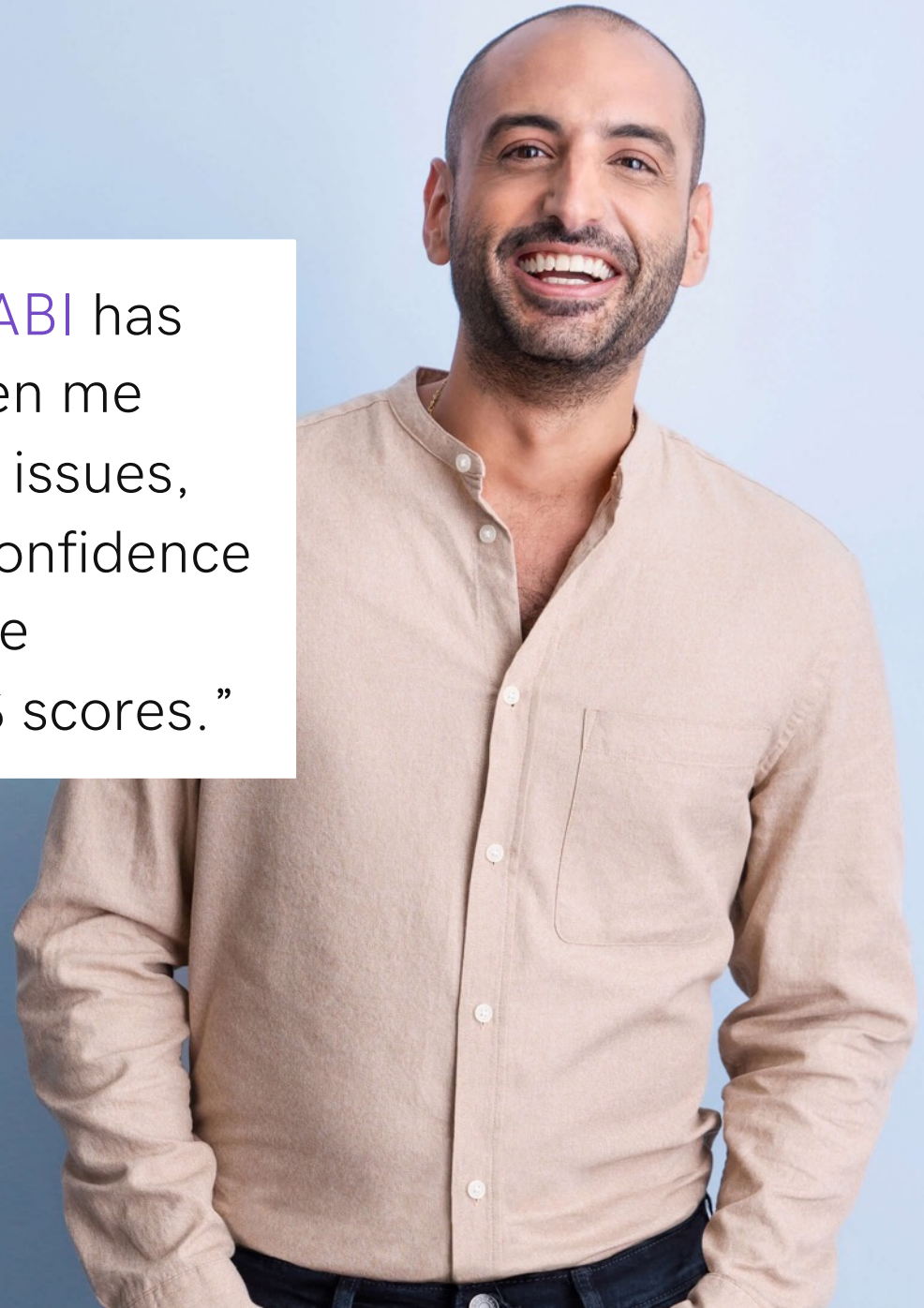
⚠ Do not input customer personal identifiable information

My customer wants |



# Guides ♥ GABI

“As a new Guide at GoDaddy, GABI has become my best friend! It’s given me confidence in handling complex issues, and I can hear the customer’s confidence in me increase. I can also see the increased confidence in my NPS scores.”





# Tip of the iceberg



How does...



How can I...



How can I...



How do

Help!



How can I...



Transfer domain



Help

How does...



Help!



I need...



Help!





Yet again, raising  
the bar for care



GoDaddy

# Operations

Roger Chen | Chief Operating Officer

Investor Day | March 6, 2024





**Fundamentally we changed the  
company into a platform and a system**



# Two transformations and an outcome

GoDaddy's story over the last four years told in three parts

## SOFTWARE PLATFORM

Our software platform has evolved

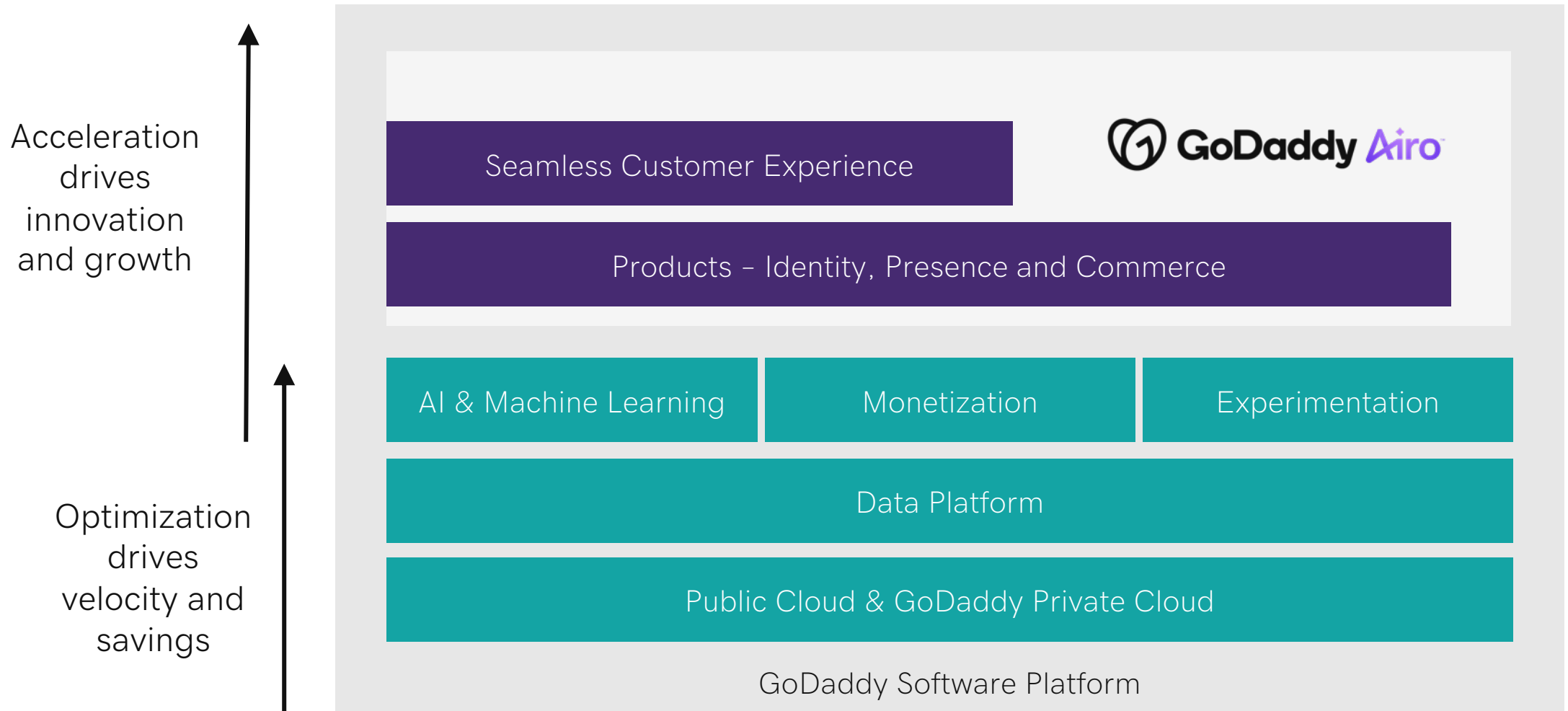
## HUMAN SYSTEM

Our decisions are based on evidence

Our profitable growth drives shareholder value



# Scale of integrated GoDaddy Software Platform is an enduring competitive advantage



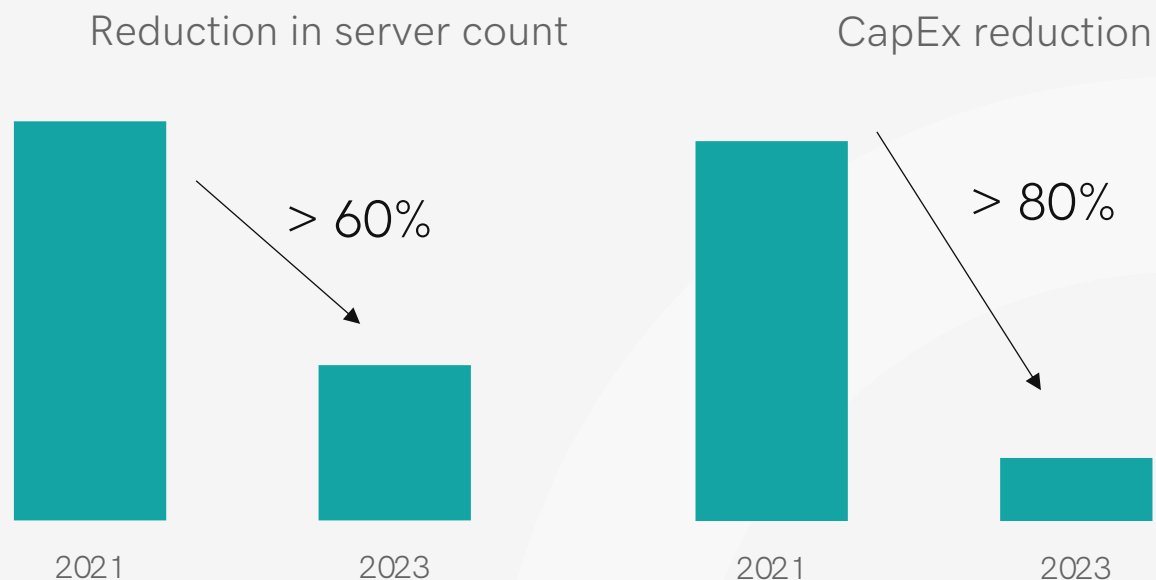


# Step-function reduction in infrastructure costs

Result of multi-year projects reducing server count and operating overhead, driving margin expansion and free cash flow

## Public cloud & GoDaddy private cloud

- > 60% server count reduction for Private Cloud
- Migrated ~300 complex applications to AWS
- > 80% reduction in capital expenditures



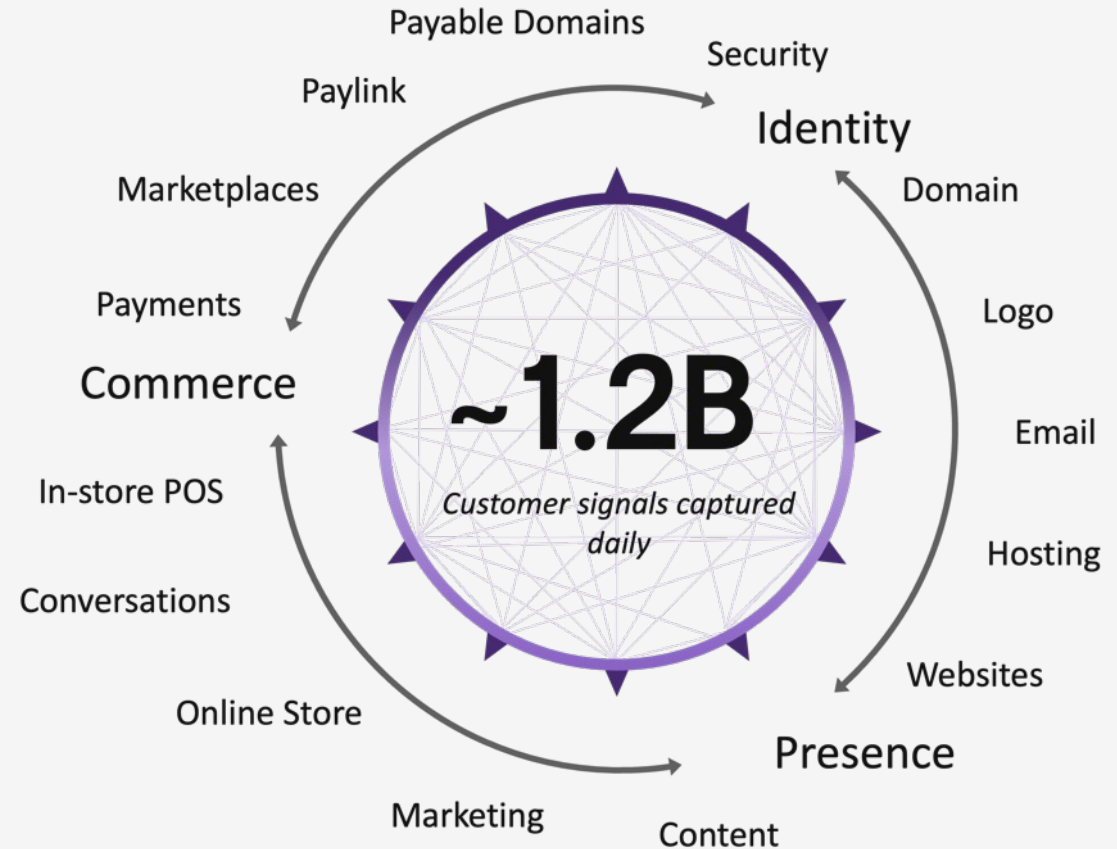


# Data platform is backbone of business decisions

GoDaddy's proprietary dataset propels innovation

## Data platform

- 1.2B customer signals form the foundation of business decisions
- Thousands of specific insights to drive hypotheses for testing





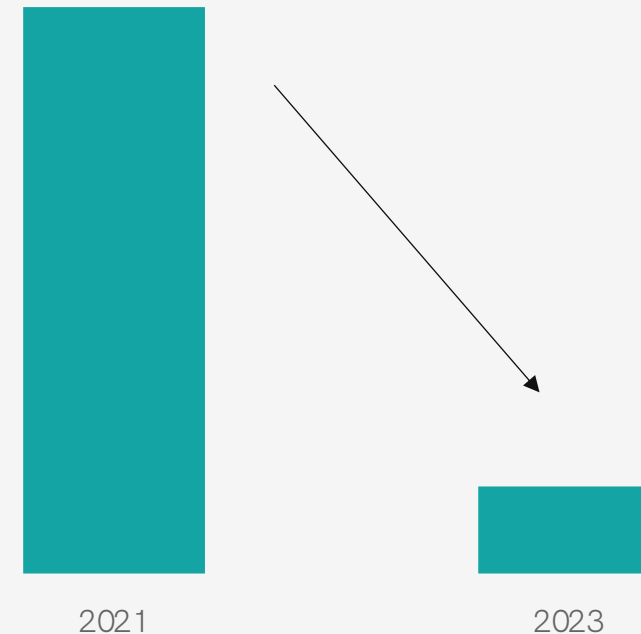
# Experimentation at scale drives better results faster

Richer data and more high-quality shots on goal

## Experimentation

- Streamlined experimentation tools from 10+ to 2
- 2,000+ hypotheses tested in 2023 with 40% proving successful

Internal experimentation tools





# Monetization platform driving increased pricing and bundling opportunities

Powered by data and AI models

## Monetization

- Paywalls activated with dynamic and flexible pricing for bundles, a massive opportunity
- ~85% customer retention rate driven by systematic improvements in renewals



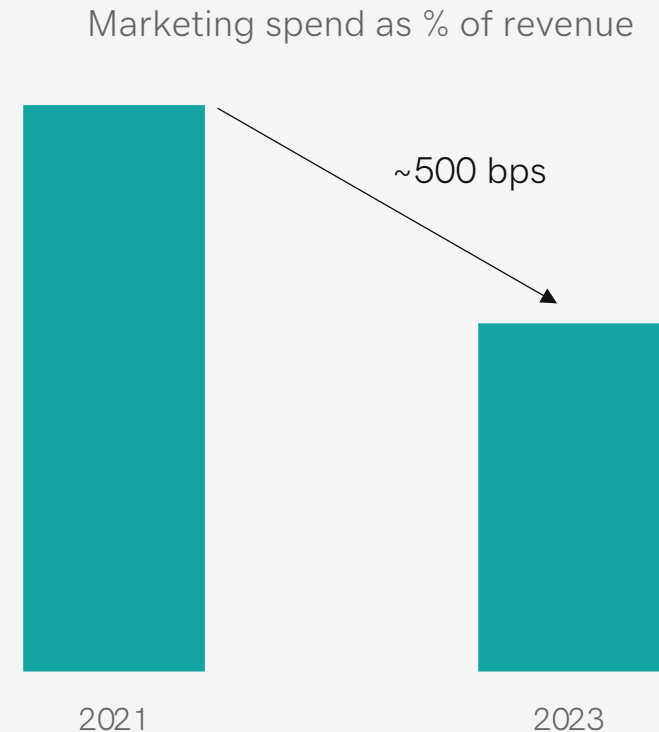


# Driving better margins through adoption of AI & machine learning

Early highest impact use cases in Marketing, Pricing, Analytics and Care

## AI & Machine Learning

- ~500 basis points of improvement in marketing spend as percentage of revenue since 2021
- 50+ models driving key business functions from many internal and external sources



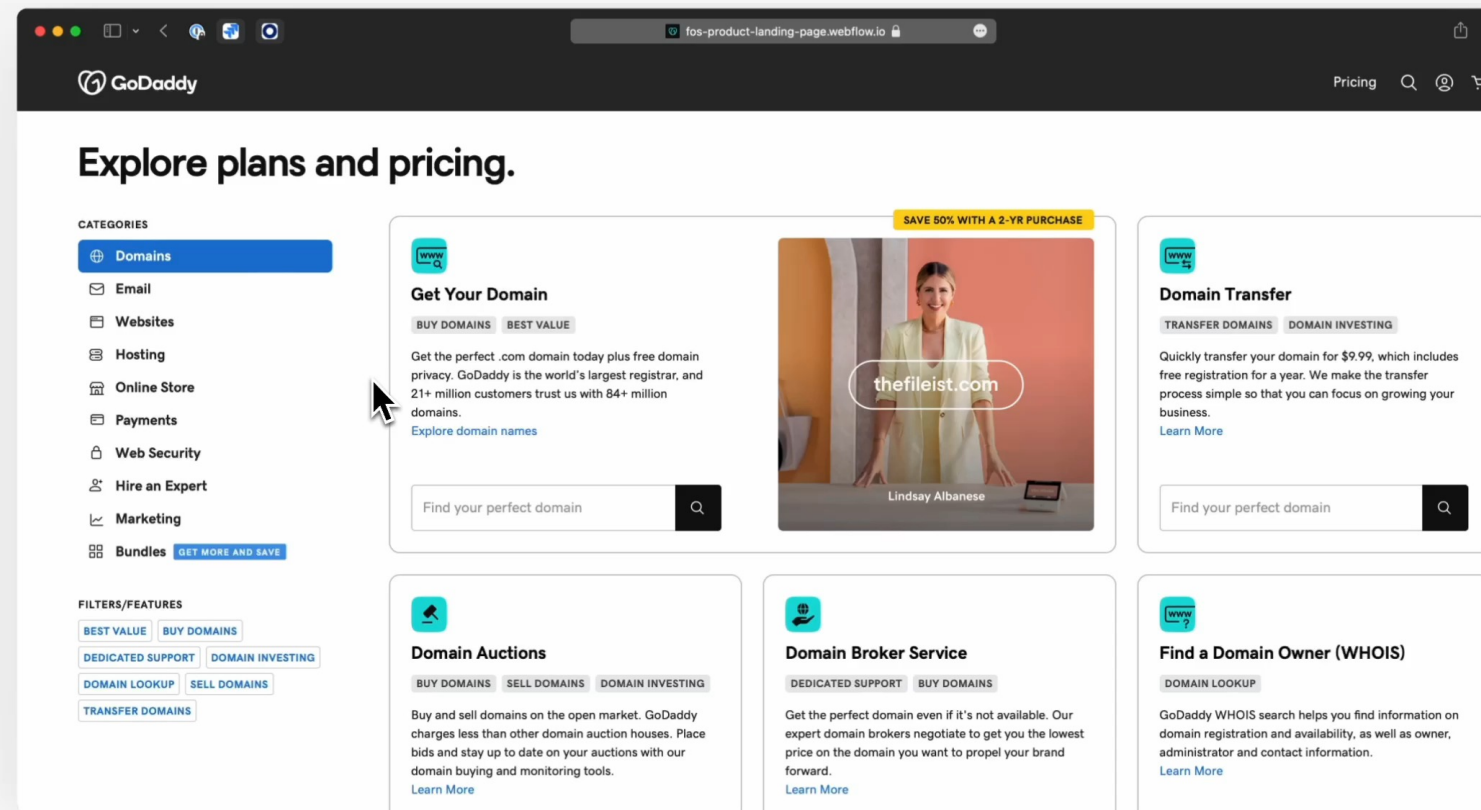


# Improving conversion through seamless experience

Consistent design language and components with goal of constant simplification

## Seamless customer experience

- Site and product experience teams continue to drive conversion rate improvements
- New surfaces created, like recommendation module and pricing page





# Unleashing the power of Airo to drive engagement and activation

GoDaddy's software platform accelerates innovation

## Airo

- 15 major releases in February 2024
- Many extensible capabilities which take Airo beyond GoDaddy Software Platform





# ‘Fewer Things Better’ delivered by a human system

Focused, continuous improvement drives higher ROI and better decisions





# Supported by technology and operational expectations

Focused, continuous improvement drives higher ROI and better decisions



## Expectation

Funding for initiatives requires proof points. Proof points require self-funding and measurement

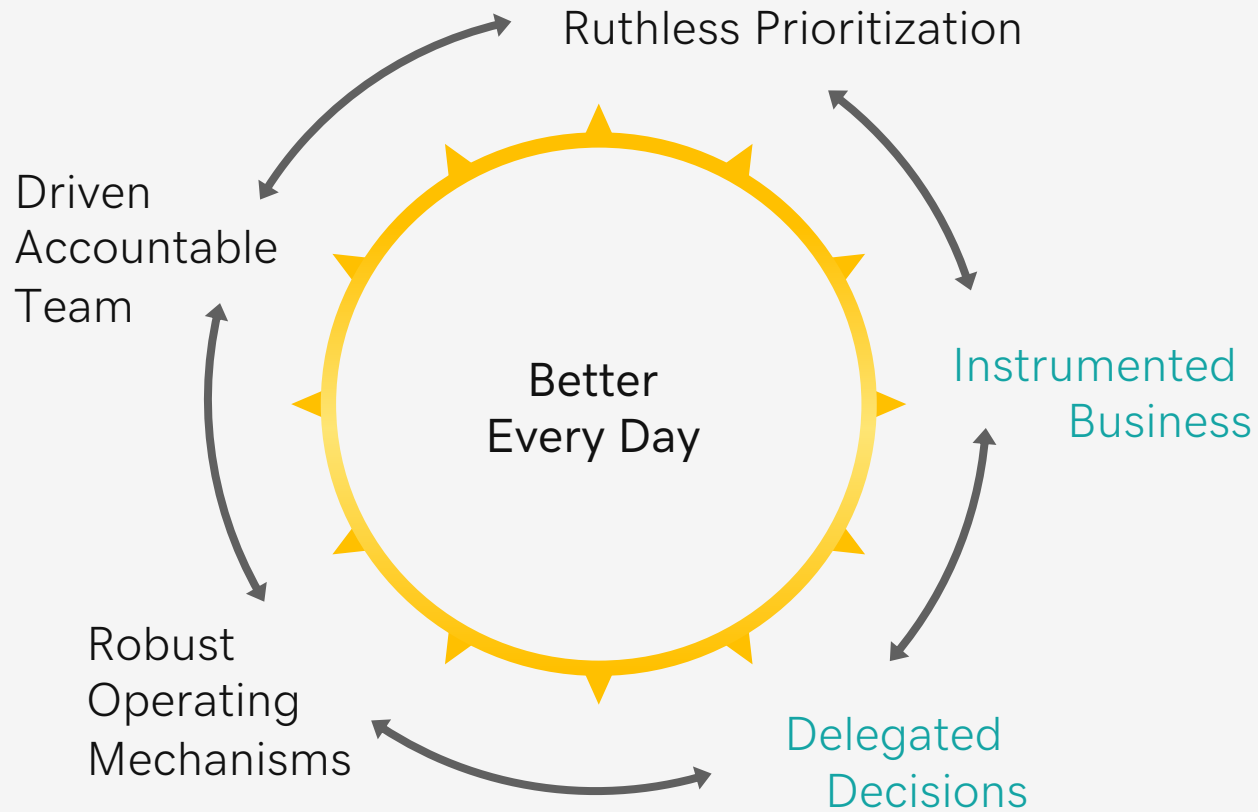
## Example

Airo was self-funded by the team. Tough trade-offs were made



# Supported by technology and operational expectations

Focused, continuous improvement drives higher ROI and better decisions



## Expectation

Instrumentation included from the beginning so proof points can be collected to make fast decisions

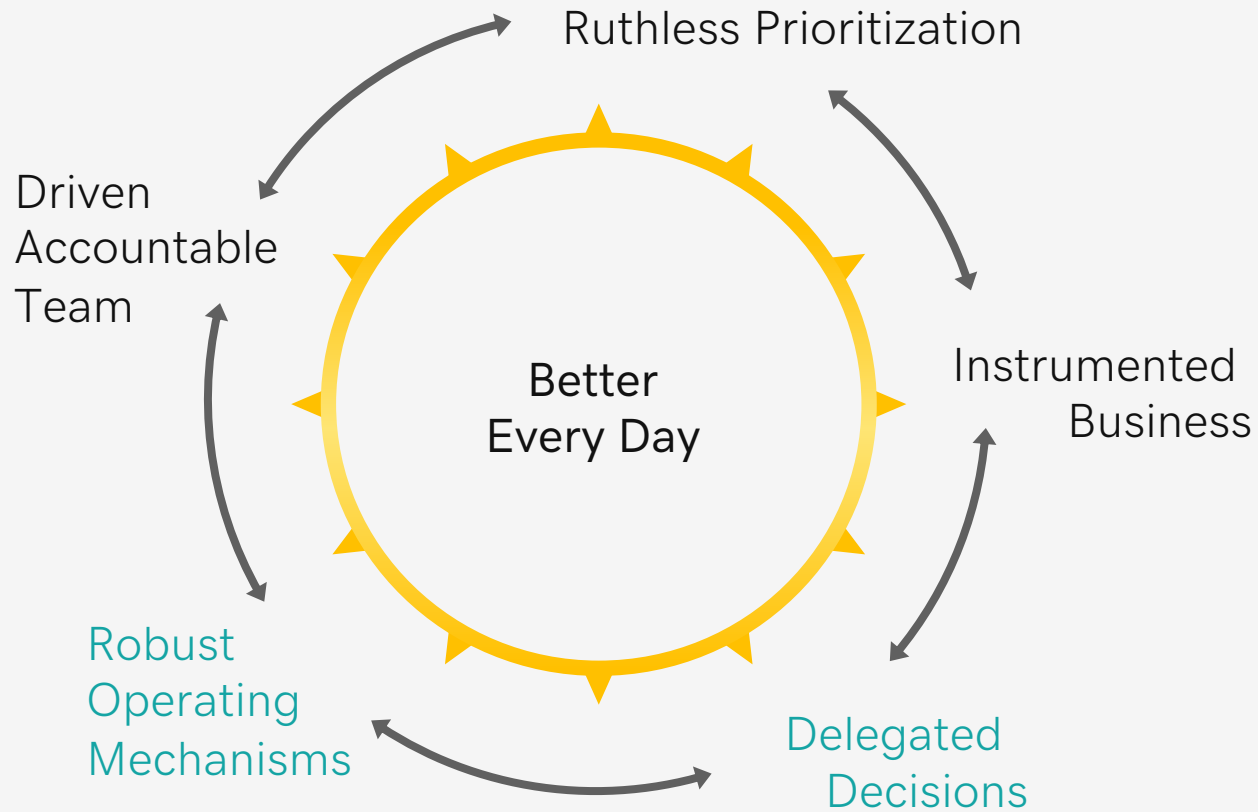
## Example

With early proof points, team leaders proactively made decisions on scope and materially accelerated Airo execution



# Supported by technology and operational expectations

Focused, continuous improvement drives higher ROI and better decisions



## Expectation

Operating mechanisms (OpMechs) require informed operators to quickly grasp updates and learnings and act

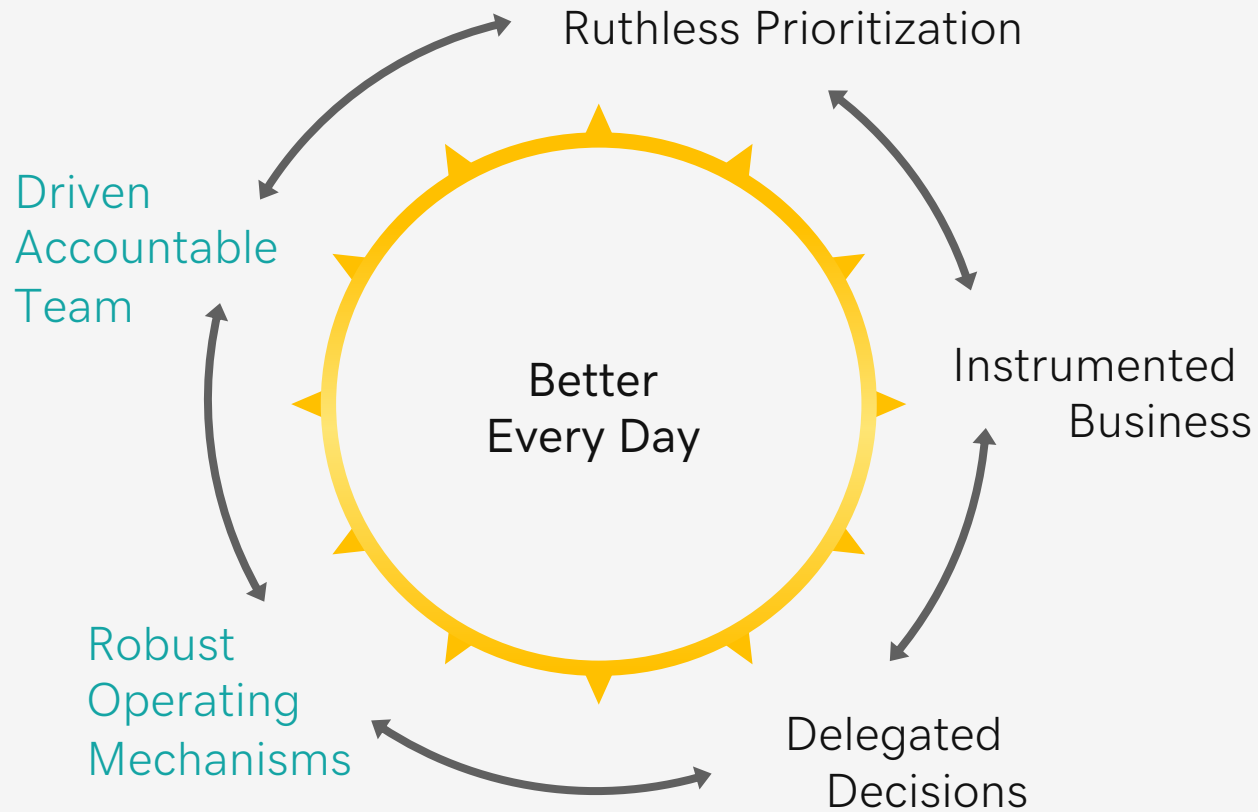
## Example

Experiments are reviewed, badged and reported with a quality metric. Specific learnings provided to experiment designers and shared across hundreds of team members



# Supported by technology and operational expectations

Focused, continuous improvement drives higher ROI and better decisions



## Expectation

High expectations, autonomy, and a clear focus on measurable key results

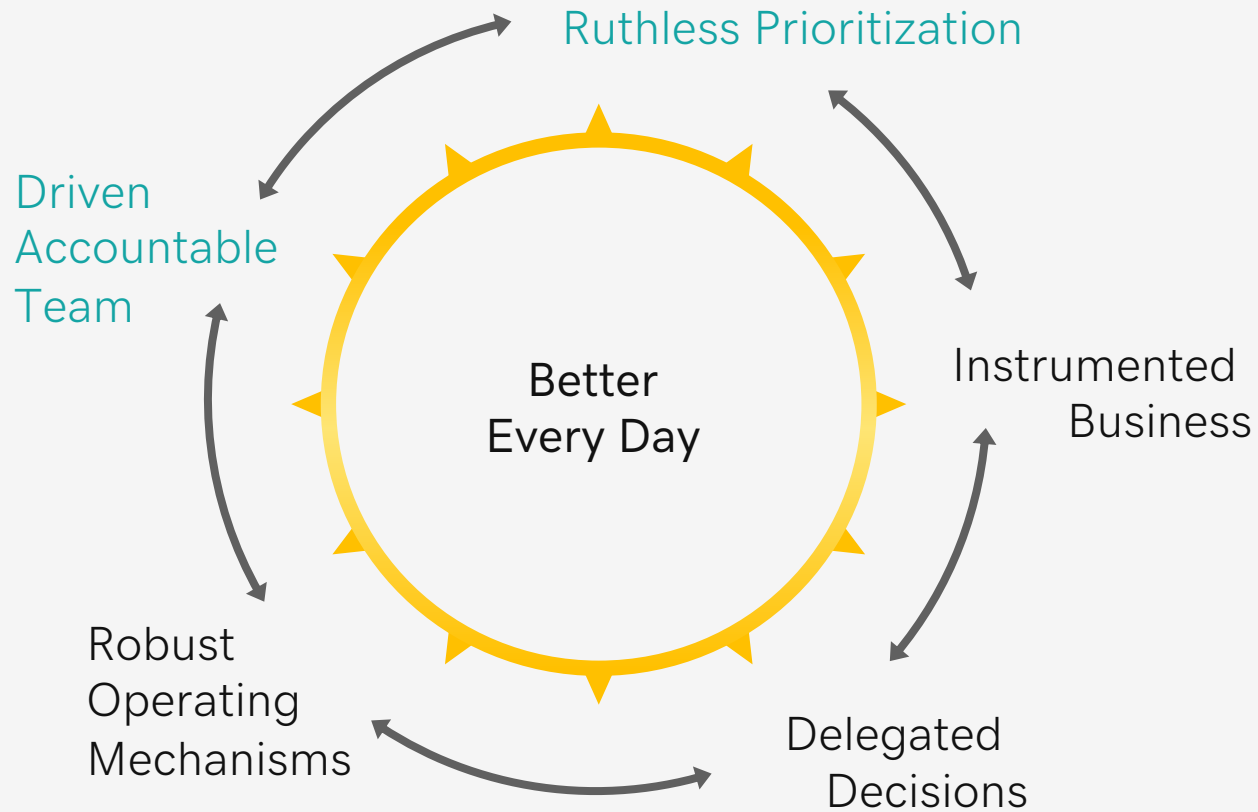
## Example

Motivated team members made extraordinary efforts to hit aggressive Airo dates. Morale peaked as everyone became part of something bigger



# Supported by technology and operational expectations

Focused, continuous improvement drives higher ROI and better decisions



## Expectation

Accountability starts with leadership. The business has evolved, the bar is raised, and results runway is timeboxed

## Example

Since 2019, we have ~45% fewer VPs doing more. ~60% of current VPs are new



Fewer *Things* Better



GoDaddy

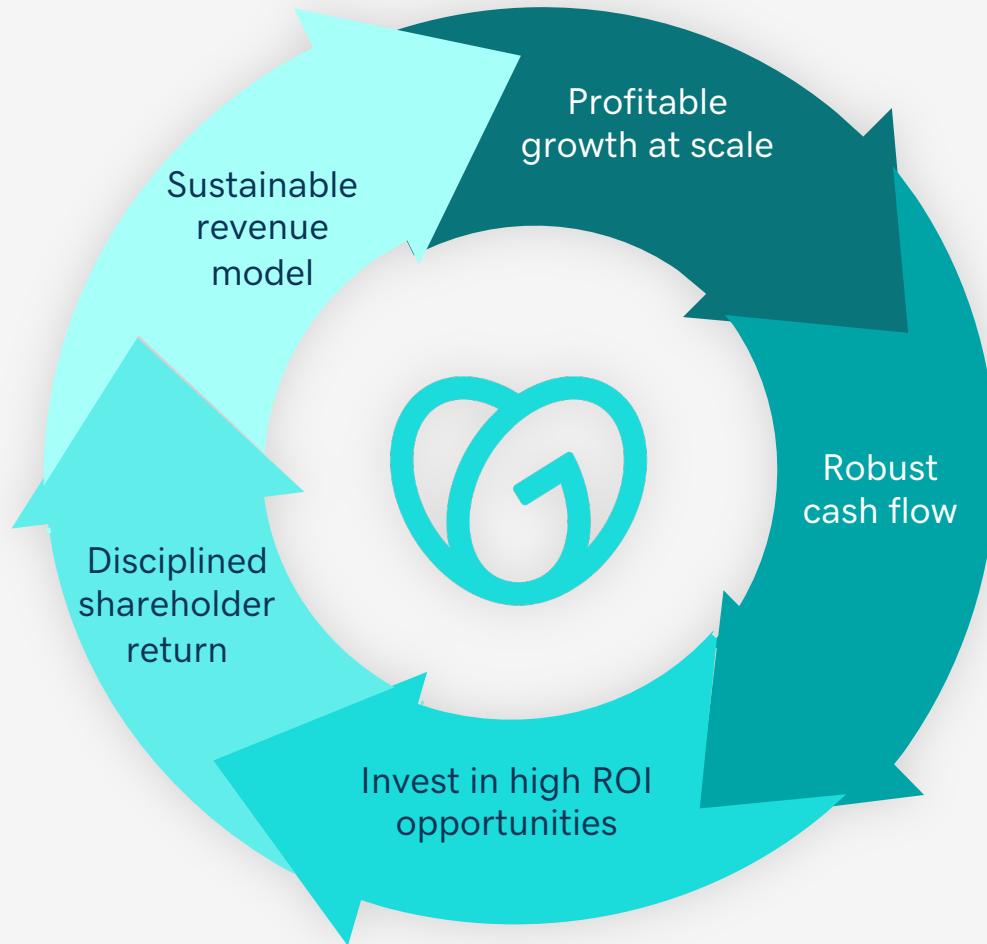
# Finance

Mark McCaffrey | Chief Financial Officer

Investor Day | March 6, 2024



# GoDaddy investment thesis



Durable revenue growth, margin expansion and disciplined capital allocation increasing free cash flow per share over the long term



# Durable financial principles

Optimize  
growth &  
profitability

Drive  
compounding  
free cash flow

Maintain  
a strong  
balance sheet

Employ  
disciplined  
capital allocation  
strategy



# North Star

Increasing free cash flow per  
share over the long term



# 3-year path towards GoDaddy's North Star

Driving compounding free cash flow per share at 20%+ CAGR through 2026

**6%-8%**

Annual revenue growth  
2024 -2026

**~33%**

2026 full year normalized  
EBITDA margin

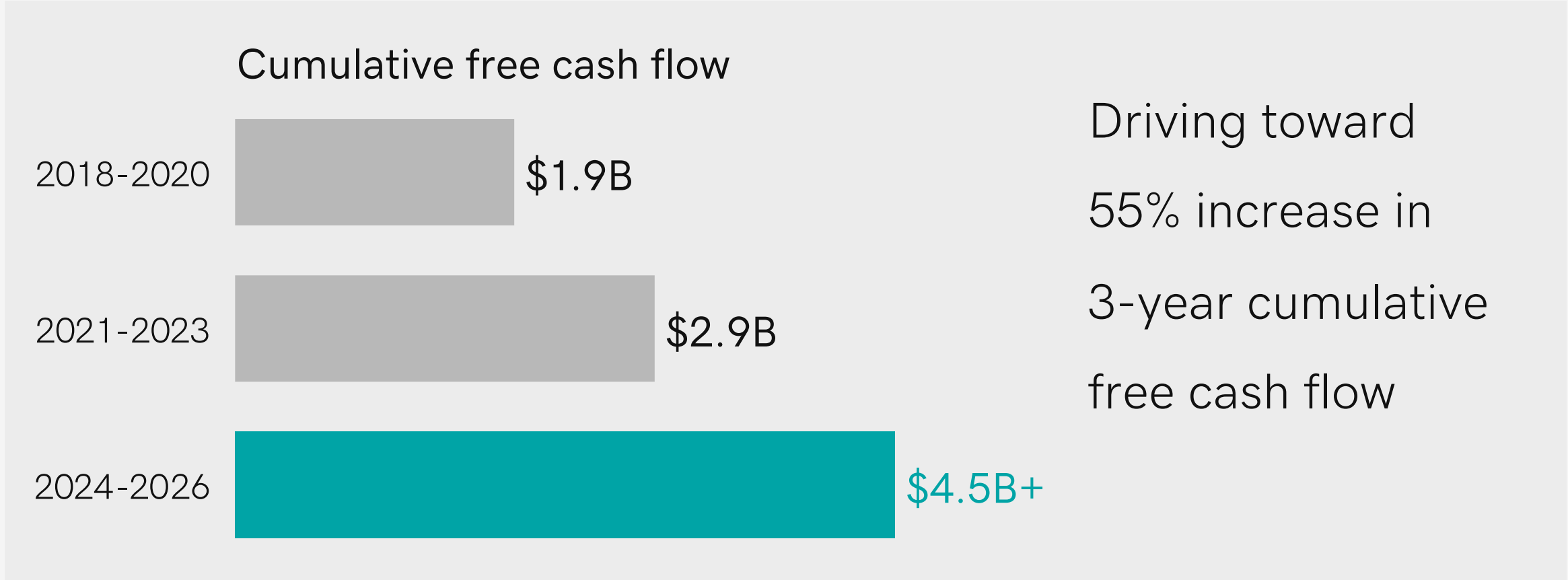
**\$4.5B+**

Cumulative free cash flow  
through 2026



# GoDaddy's proven ability to generate strong free cash flow

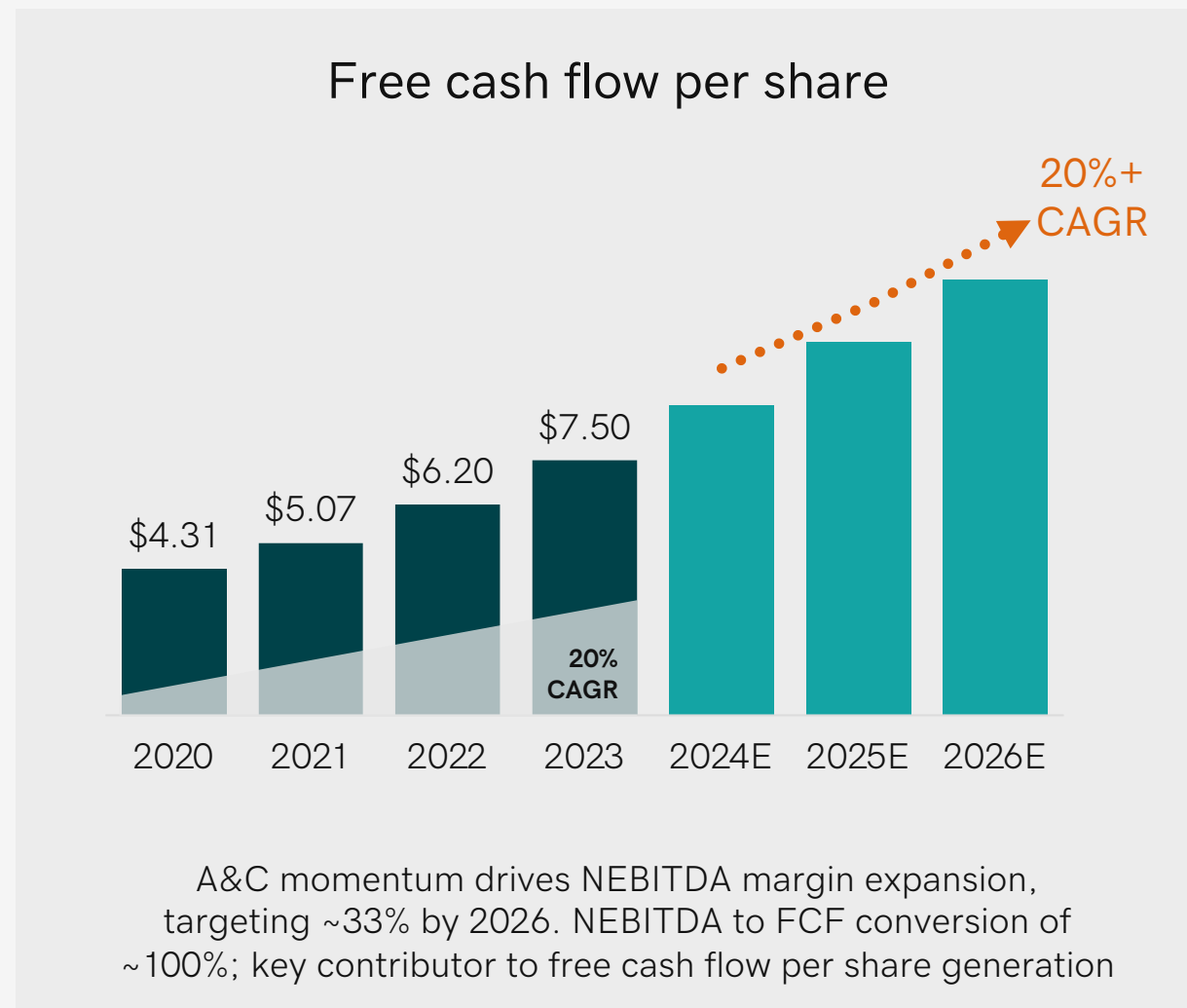
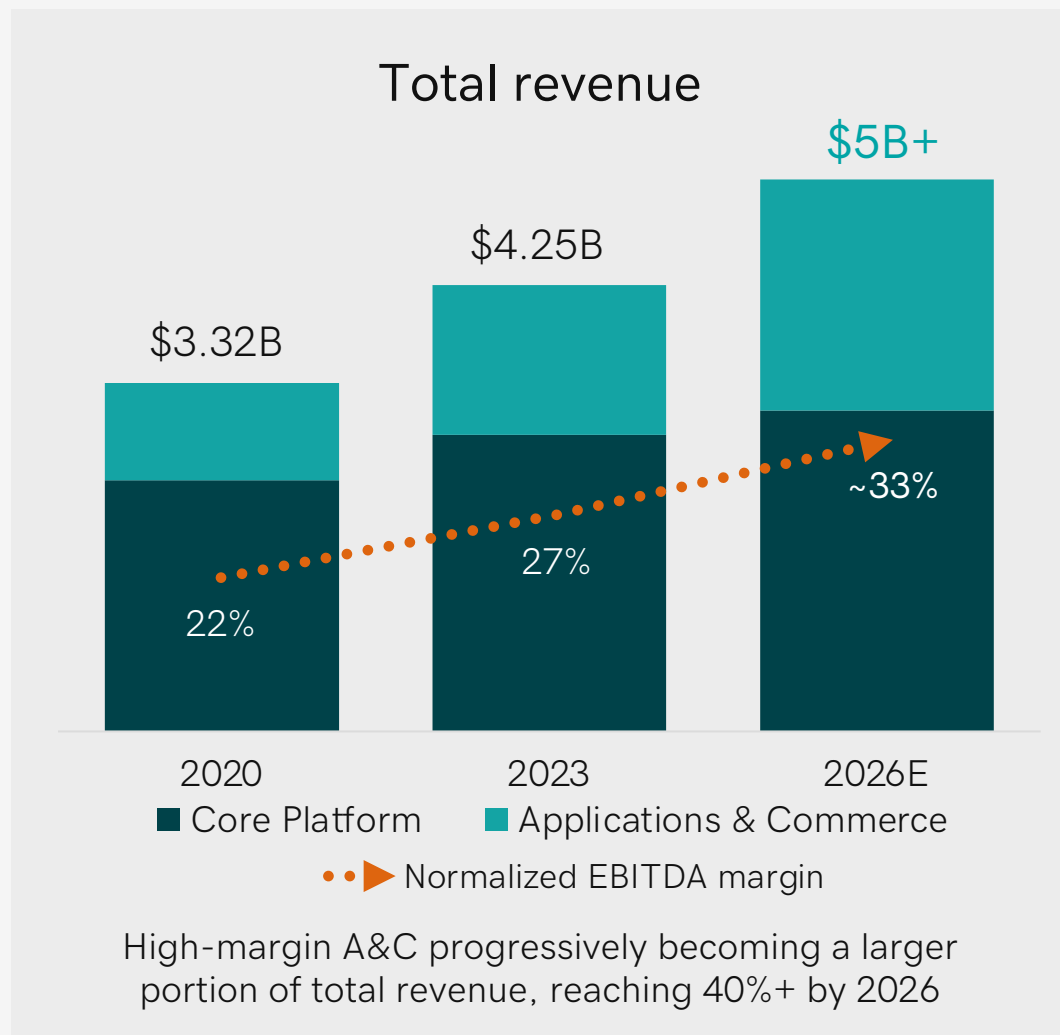
\$4.5B+ in projected cumulative free cash flow from 2024-2026





# Driving robust \$4.5B+ free cash flow through 2026

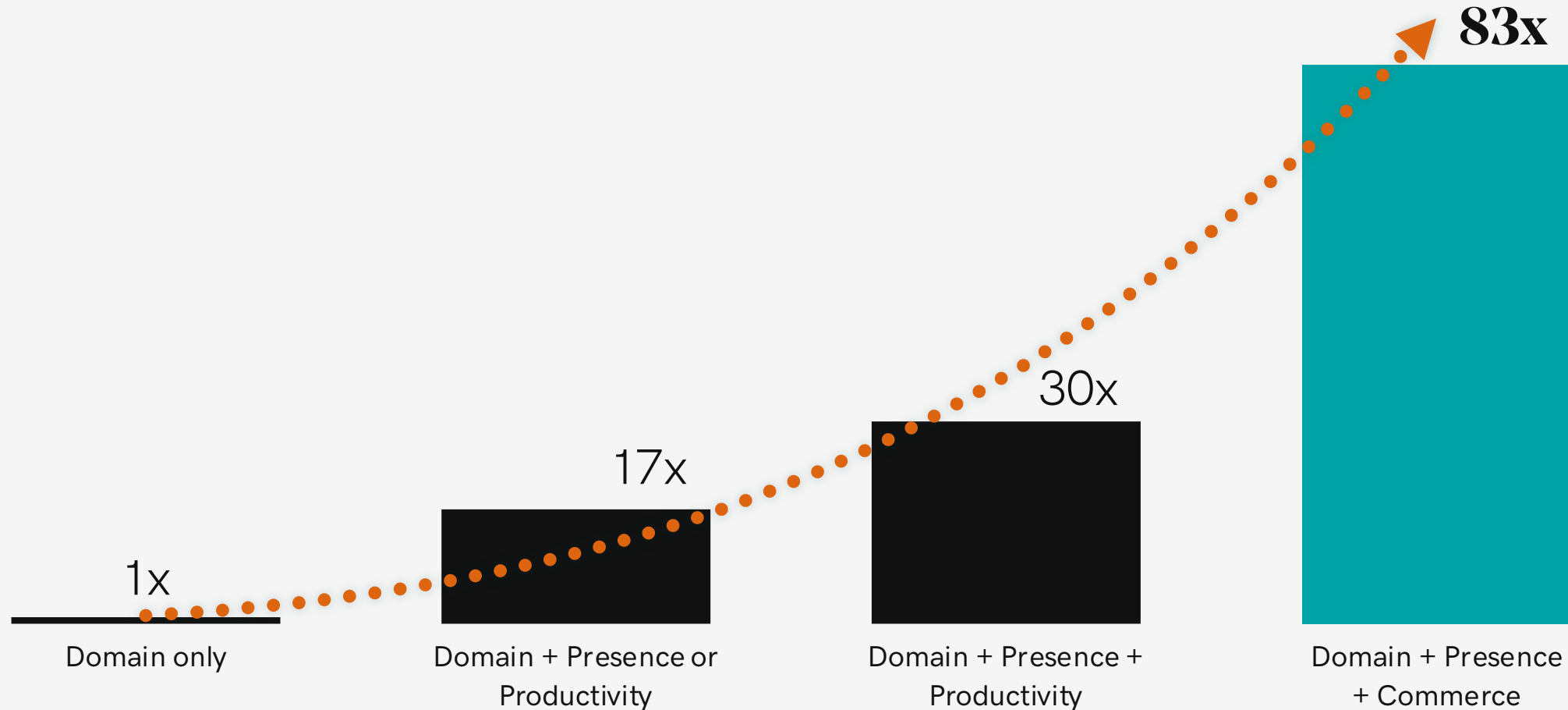
Applications & Commerce momentum creating a tailwind to profitability and free cash flow per share growth





# Attracting higher lifetime value customers

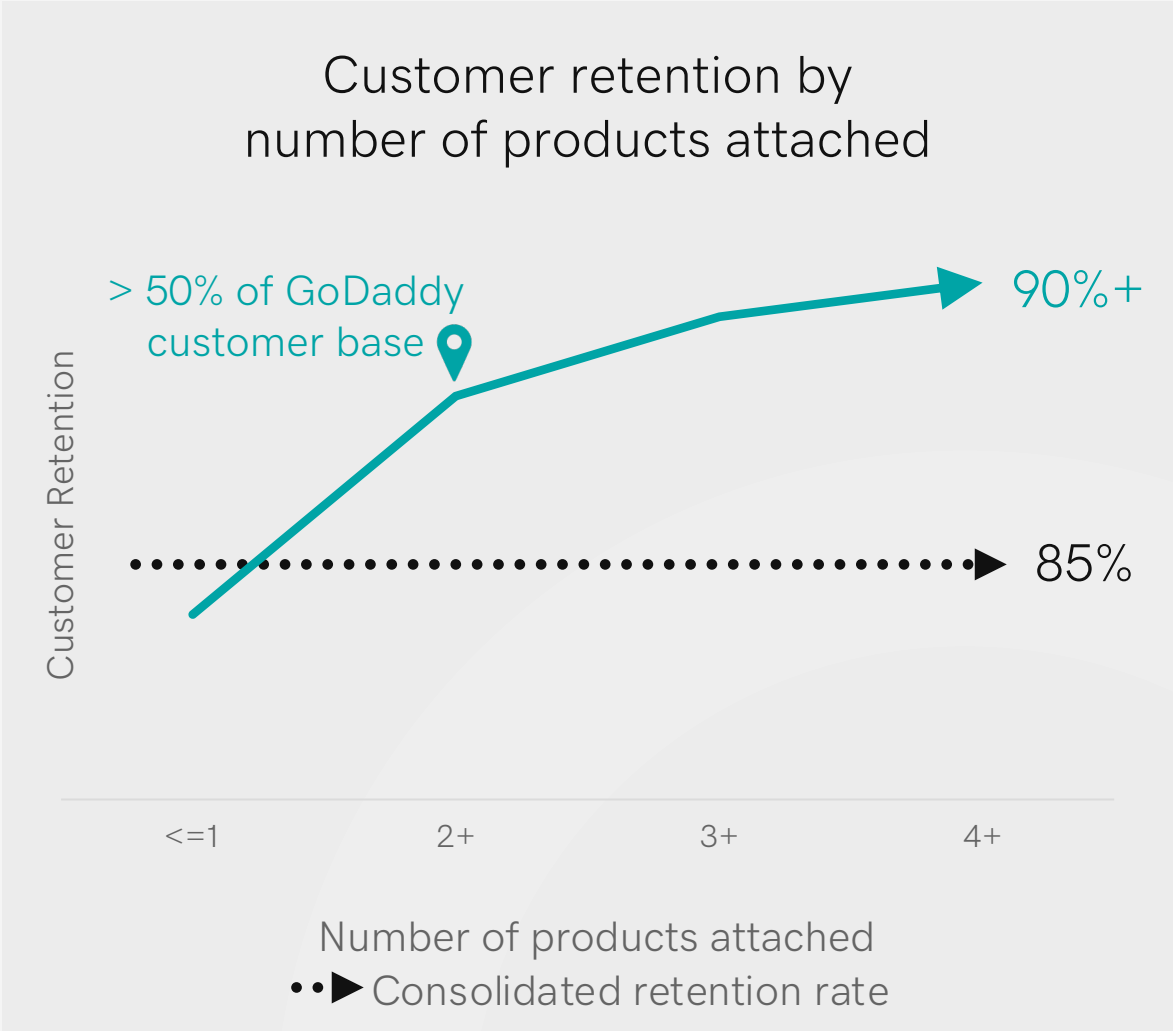
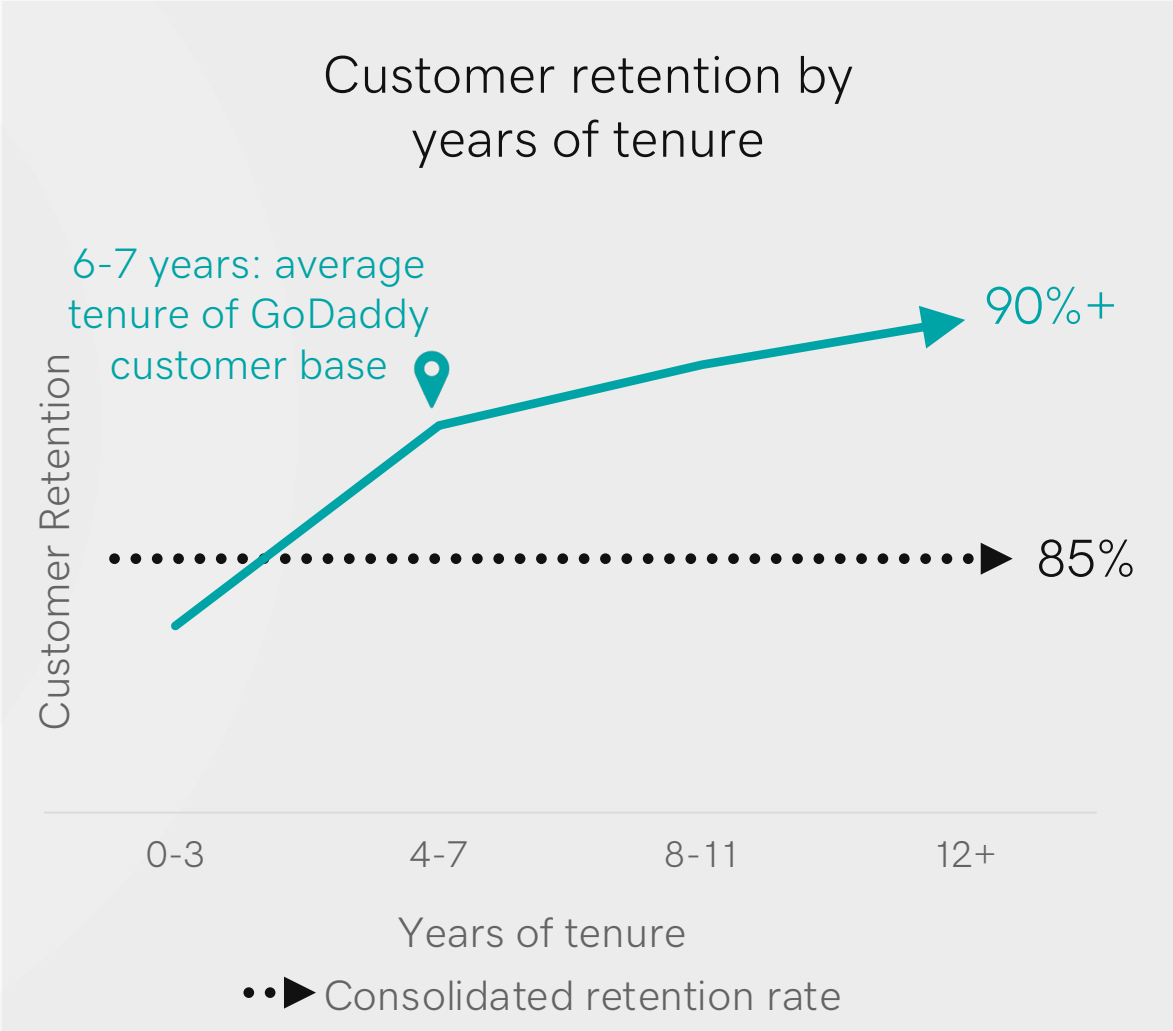
GoDaddy's opportunity in Applications & Commerce drives growth in customer lifetime value





# Customers who succeed with us, stay with us

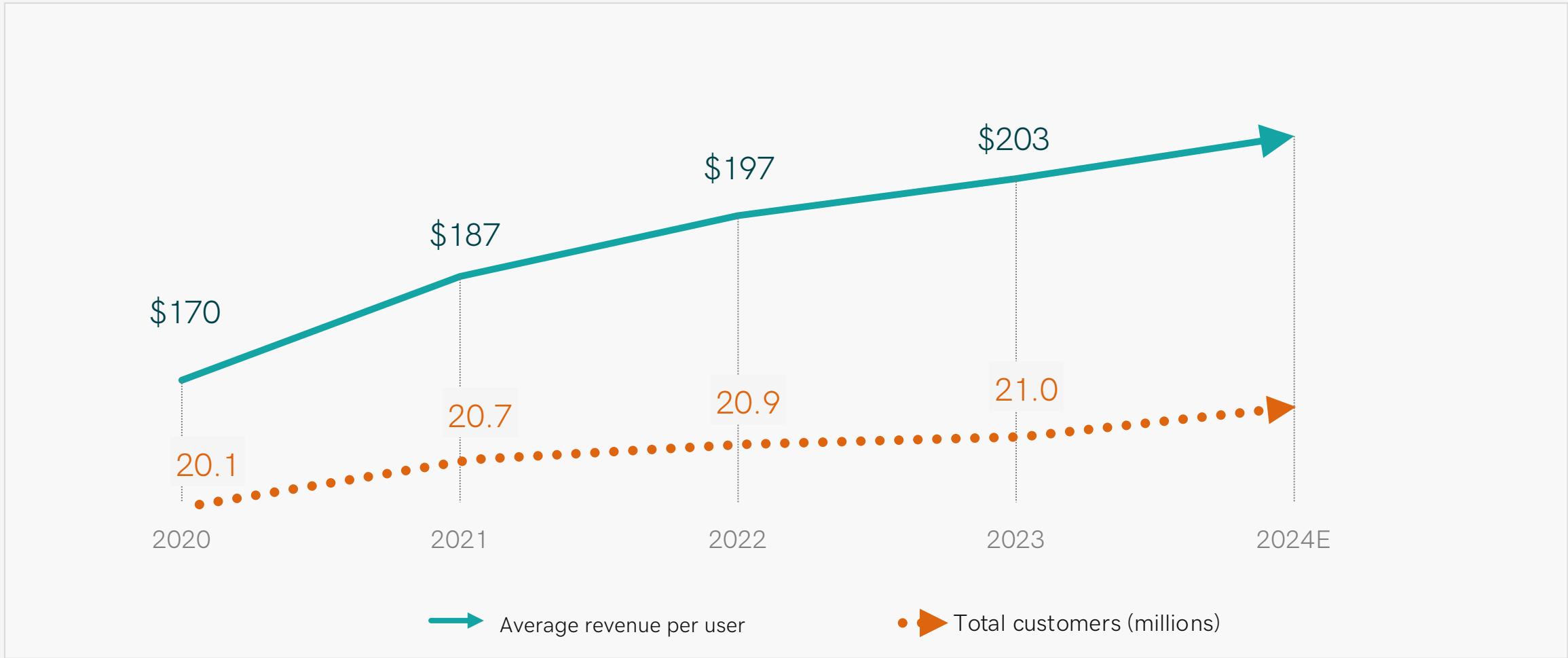
Driving an attractive customer attach model





# Growing ARPU with ample opportunity ahead

Steady, predictable growth for GoDaddy's 21 million customers through high-value offerings





# Strong momentum in Applications & Commerce revenue

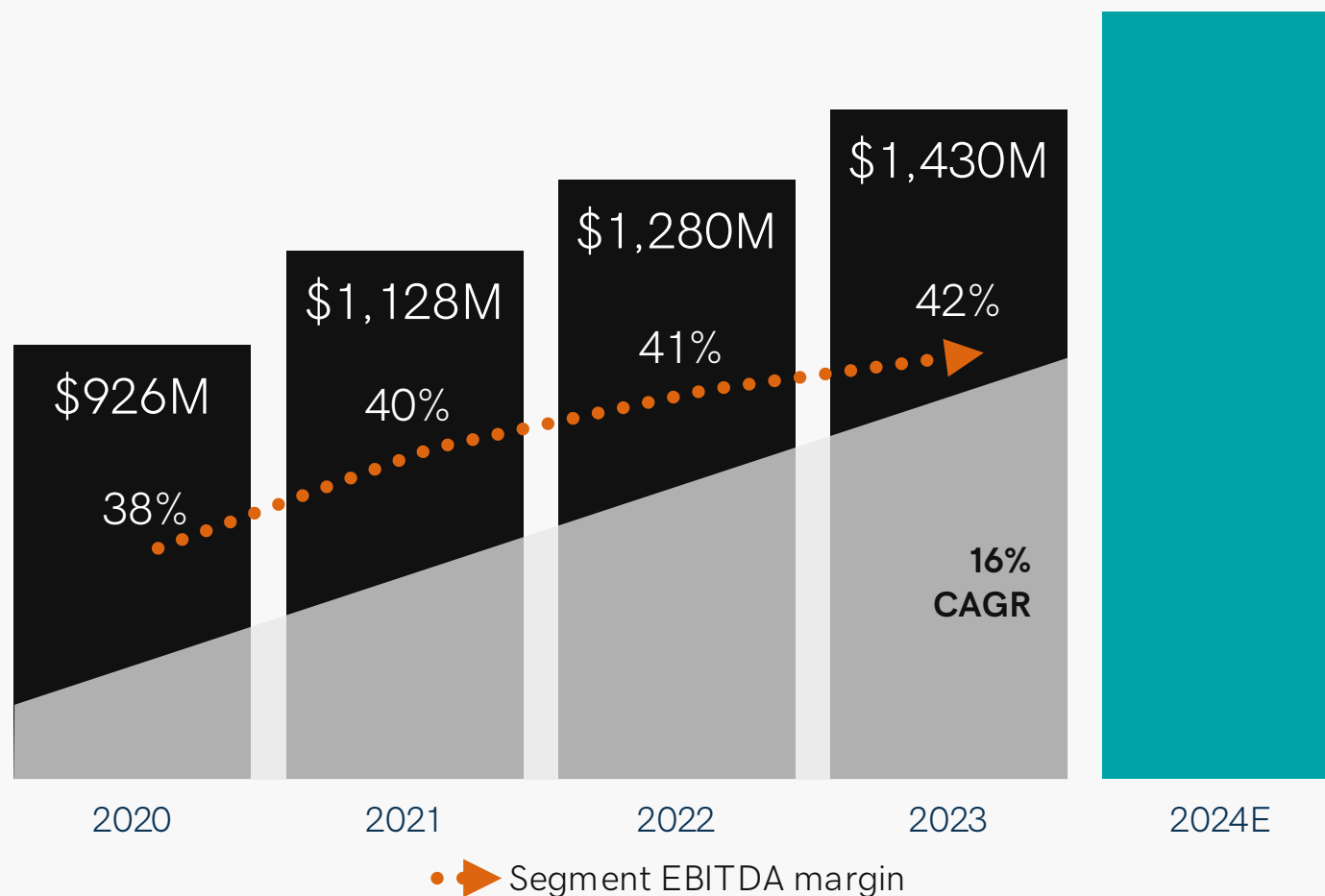
Higher growth, high-margin software segment:

- Presence
- Productivity
- Commerce

Primary benefactor of attach opportunities with more than 50% (and growing) of customers having 2+ products

## Outlook

- Annual revenue growth at low to mid-teens
- Driver of NEBITDA margin and FCF expansion





# Reliable growth in Core Platform

Consistent growth, durable segment over the long term:

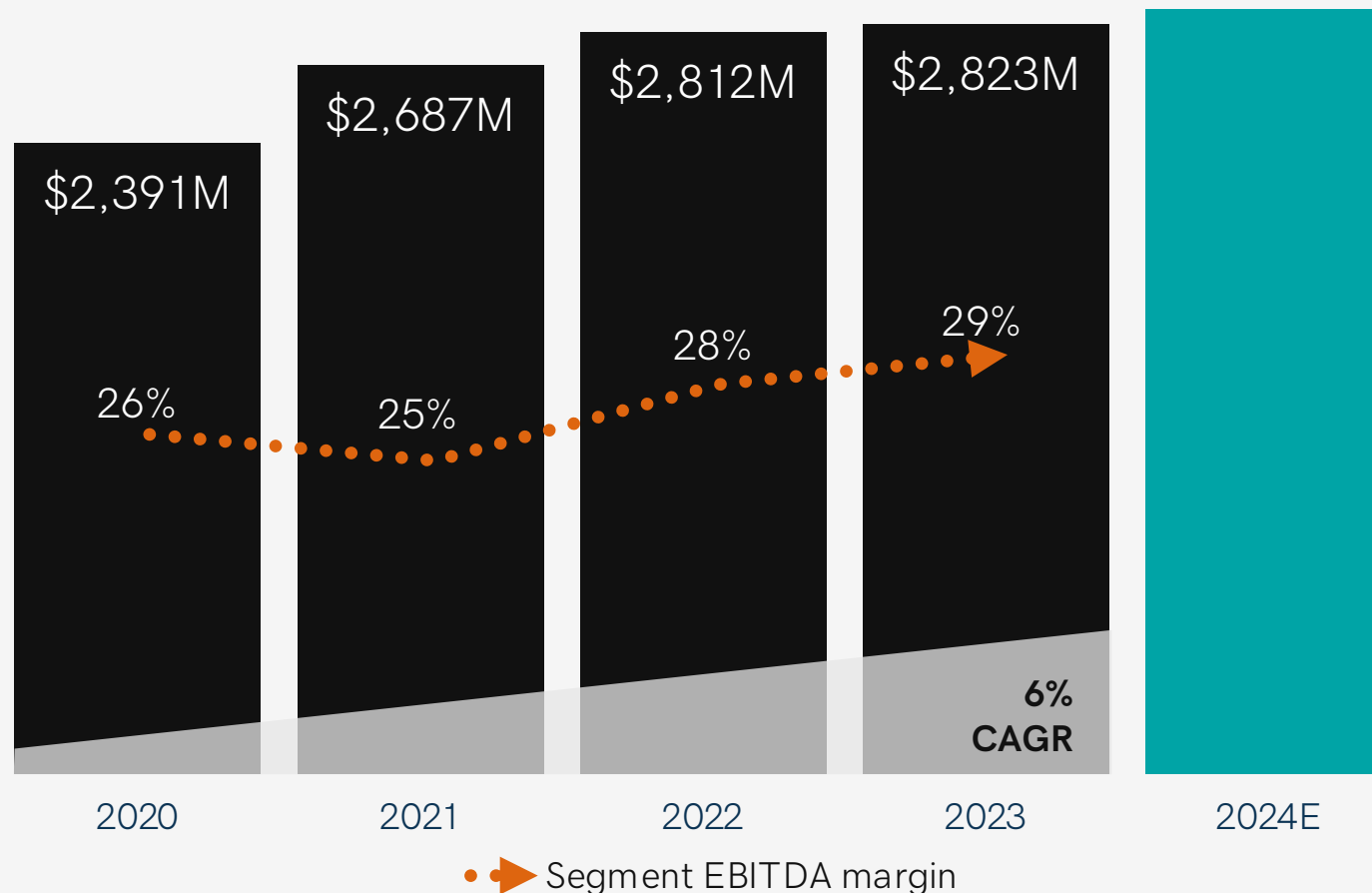
- Domains
- Hosting & Security
- Aftermarket

Robust cash flow generator

Comparative growth impacted by recent hosting divestitures, migration and end-of-life in the short term

## Outlook

- Annual revenue growth at low single digits





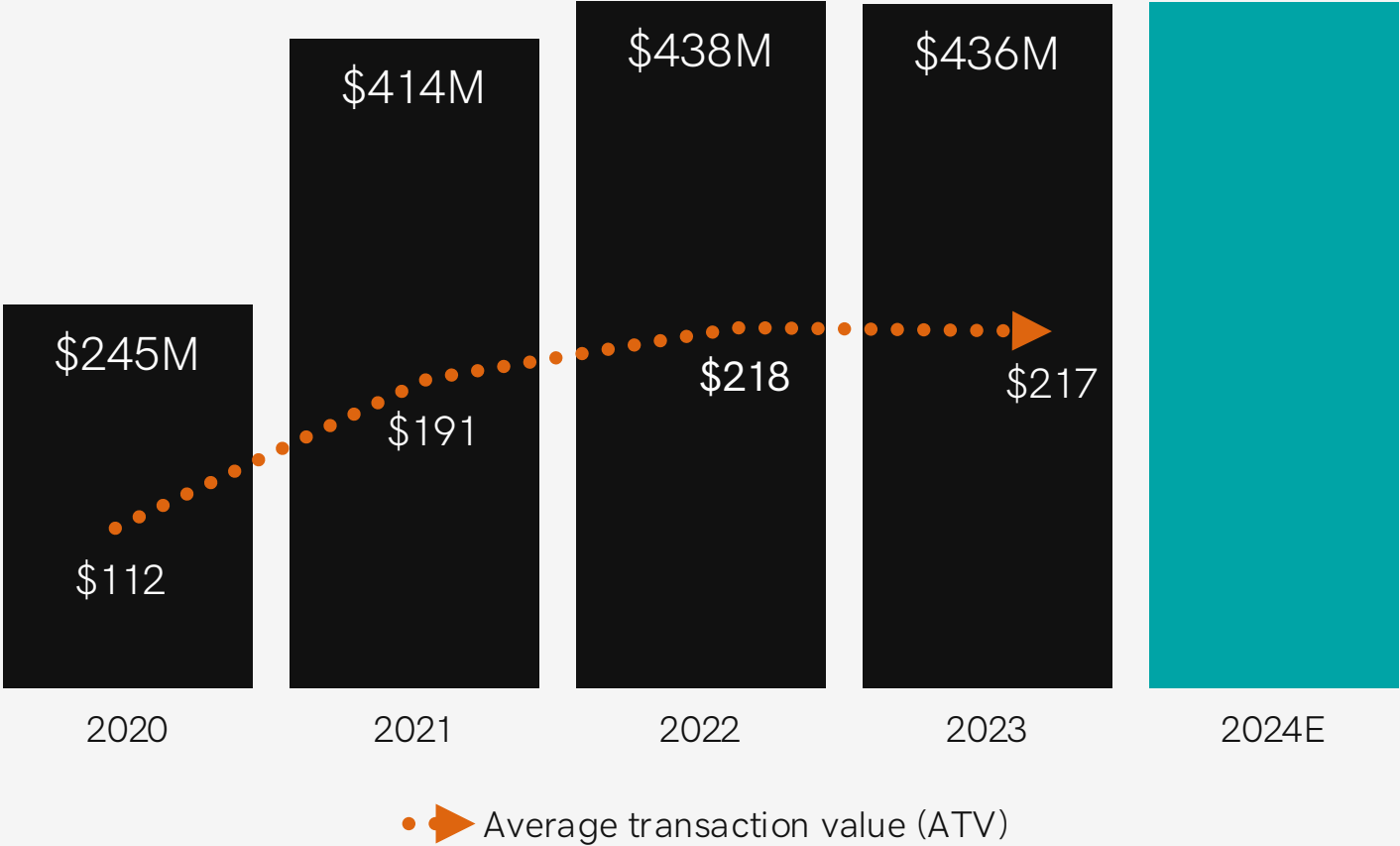
# Stable Aftermarket revenue

Transactional business with consistent annual performance; variability quarter-to-quarter

Increasing volume in 2023 offset loss of larger transactions in 2021 and 2022

## Outlook

- Revenue growth assumed flat to low single digit over the long term
- Upside related to timing of larger transactions





# Rationalizing the hosting and security platform

## Continuing hosting & security:

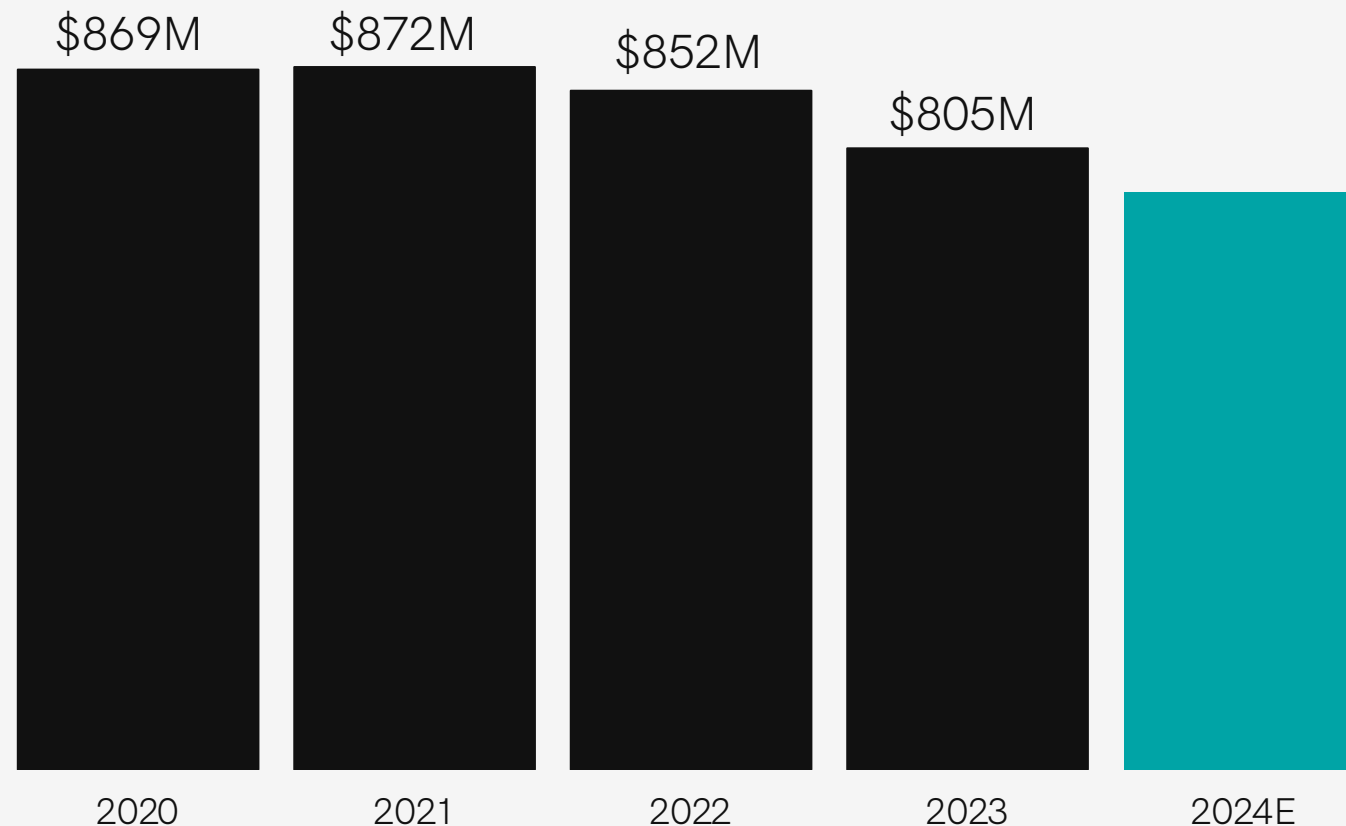
- High retention
- Accretive to FCF
- Optimizes CapEx spend

## Rationalization efforts to date:

- Divested 3 platforms\*
- Migrated 3 platforms
- ~800K impacted customers
- Minimal FCF/share impact
- Remaining rationalization opportunity ~\$50M

## Outlook

- Estimated headwinds of 100 basis points in 2024, moderating to flat by 2026



\*Divestiture of one platform in progress, expected to close Q1 2024.



# Building on strong track record of margin expansion

NEBITDA to free cash flow conversion approaching 100%

## 2023 NEBITDA by segment

### A&C

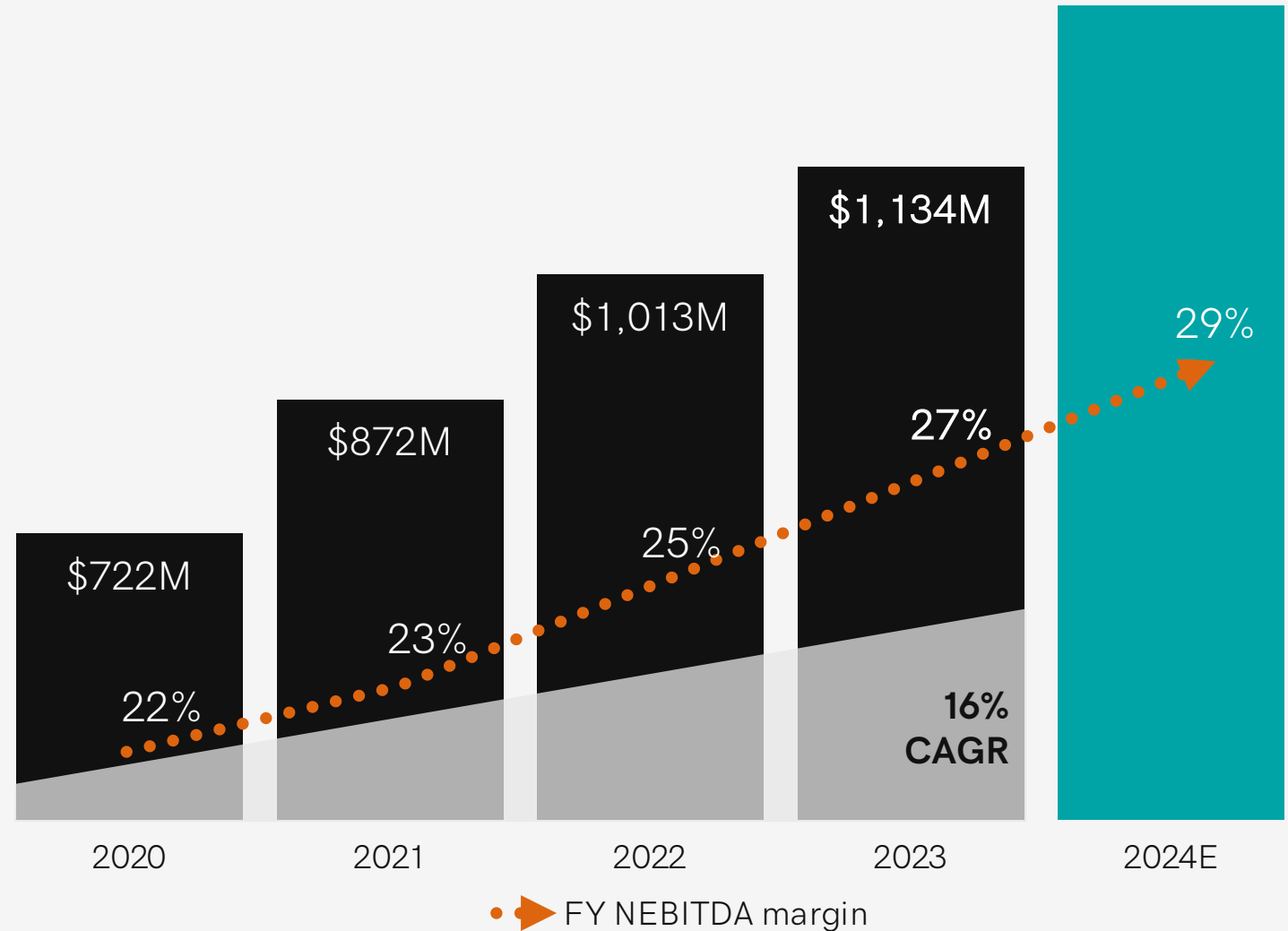
- \$594M segment EBITDA
- 42% segment EBITDA margin
- 400 bps expansion since 2020

### Core Platform

- \$816M segment EBITDA
- 29% segment EBITDA margin
- 300 bps expansion since 2020

### Outlook

- Continued margin expansion, reaching ~33% by 2026
- Mid-teens CAGR on EBITDA growth for the next three years





# Driving Normalized EBITDA margin expansion in T&D

Opportunity in ongoing platform simplification

## Product ~47%

- Product innovation
- Front of site
- Marketing Tech
- Care Tech

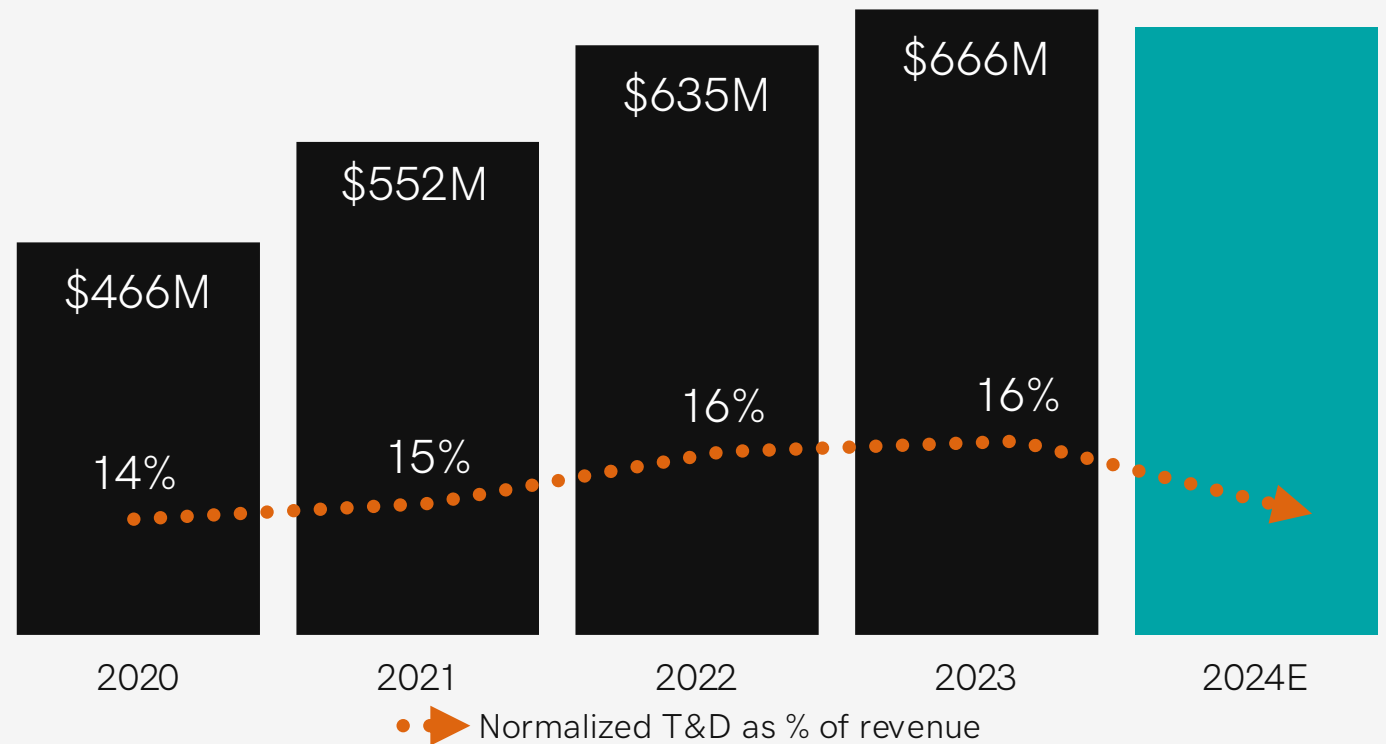
## Infrastructure ~53%

- Cyber
- Public cloud
- Platform
- Data centers
- Integrations

## Outlook

- Down in absolute dollars in 2024
- Continuing source of leverage

## Normalized Technology & Development Expense





# Projected free cash flow of \$4.5B+ through 2026

Share repurchases continue to demonstrate high ROI for FCF deployment

\$2.6B shares repurchased 2022 - 2023

Reduced FDSO by 20% since January 2022

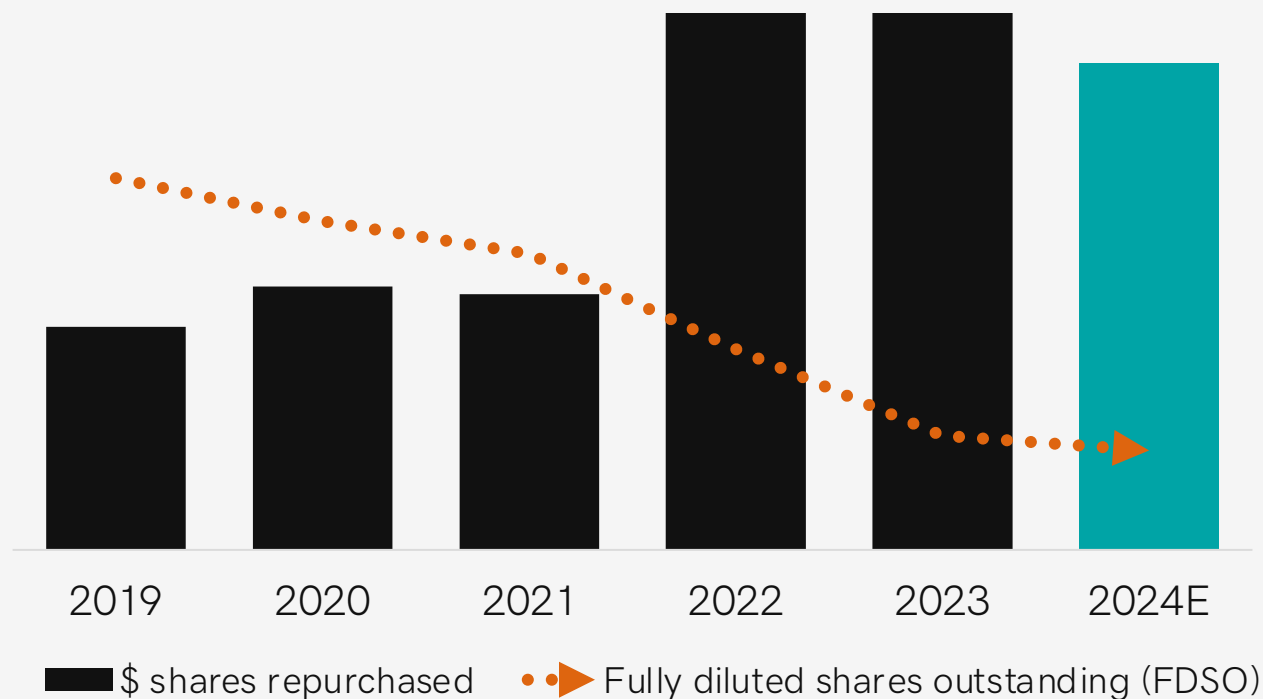
Guiding principles:

- GoDaddy intends to be in the market every quarter
- At a minimum we expect share repurchases to offset dilution from share-based compensation over a three-year period

Well-positioned for strategic opportunities in capital deployment:

- Incremental opportunistic buybacks
- De-levering to reduce variable interest rate exposures
- Evaluate acquisitions that meet M&A framework

Shares repurchased



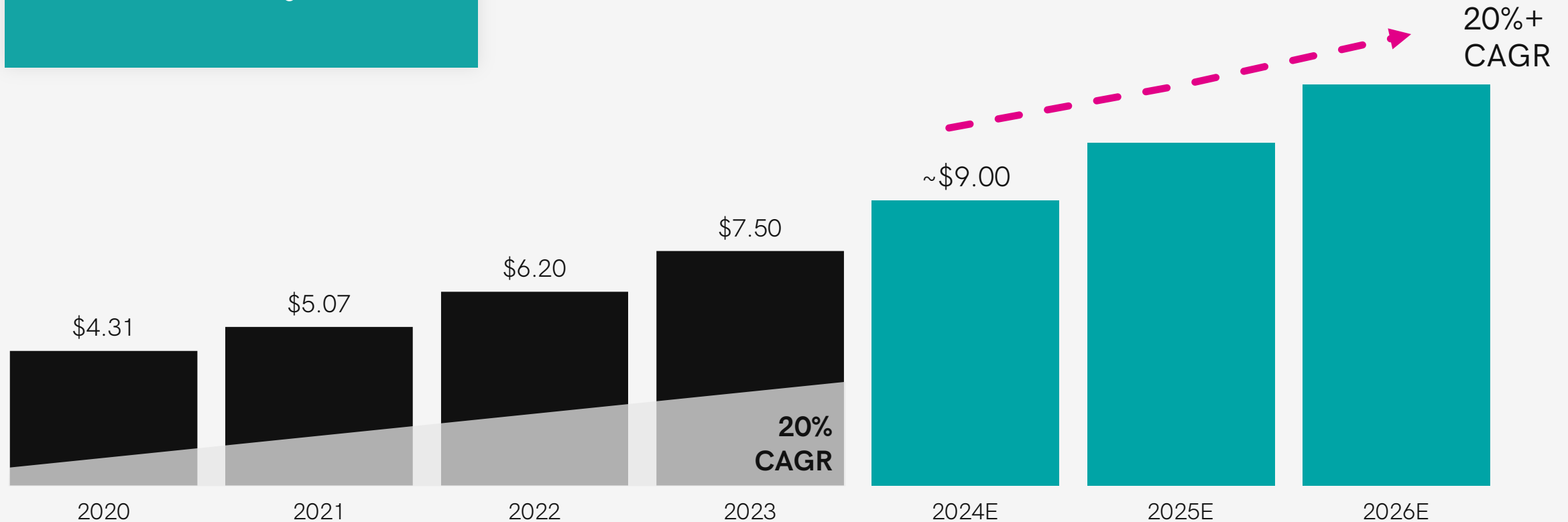


# Track record of driving free cash flow per share

GoDaddy's North Star is to drive FCF per share over the long term

## Outlook

- Targeting free cash flow per share CAGR of 20%+ through 2026





# On track to meet 2022 profitability and cash flow goals

	2022 Investor Day	Actuals	Actuals	Guide	3-Year
Metric	2022-2024	2022	2023	2024E	2022-2024E Target
Revenue	10%+ CAGR	\$4.1B	\$4.3B	\$4.5B+	6% CAGR
Normalized EBITDA margin	24% - 26%	25%	27%	29%	25% - 29%
Unlevered free cash flow	~\$3.8B cumulative	\$1.10B	\$1.25B	\$1.4B+	~\$3.8B
FCF per share (%)	20%+ CAGR	22%	21%	20%	22% CAGR
FCF per share (\$)	\$8.75+ by 2024	\$6.20	\$7.50	~\$9.00	~\$9.00 by 2024



# Topline modeling considerations

Annual revenue growth of 6% - 8%

## Applications & Commerce

- Low to mid-teens growth

## Core Platform

- Low single digits growth

## Upside drivers to high end:

- A&C momentum
- Upsell & attach (Airo)
- Commerce outperformance
- Aftermarket outperformance
- Pricing actions

## Downside drivers to low end:

- Hardware shipment delays
- Aftermarket softness
- Macroenvironment pressures on bookings

Low-mid teens growth

Presence  
Productivity  
Commerce

Applications & Commerce

Mid to high  
single digit growth  
85 million domains  
under management

Domain registrations  
(Core Platform)

Flat to low single digit  
growth on annual basis, can  
fluctuate quarter to quarter

~\$400M+ annual revenue

Aftermarket  
(Core Platform)

Portfolio rationalization driving  
headwinds moderating from  
100 bps to flat

Strong cash generation  
and high retention

Hosting & security  
(Core Platform)



# Profitability modeling considerations

Driving leverage down the P&L to balance durable growth with margin expansion

Measure <sup>1</sup>	% of 2023 Revenue	Expectation through 2026 (Organic)	Commentary
Segment costs:			
Cost of sales	37%	Impacted by product mix	A&C growth a tailwind to gross margin
Technology & development	16%	Source of leverage	Infrastructure simplification, expanding access to global talent pool
Marketing & Care	14%	Source of leverage	Scalable campaign and automation initiatives, expanding access to global talent pool
Unallocated costs:			
General & administrative	7%	Source of leverage	Footprint simplification
Cash interest	4%	Flat to down over time	Total debt 87% fixed, 13% variable
CapEx	1%	\$ Flat to down	Data center reduction

<sup>1</sup>Expenses exclude SBC and unusual items –see reconciliation



# GoDaddy's unique, differentiated and attractive shareholder value creation model

**Durable  
top-line growth**

**6%-8%**

Annual revenue growth



**Expanding  
NEBITDA  
margins**

**~33%**

NEBITDA margin in 2026



**Strong  
free cash flow**

**\$4.5B+**

3-year cumulative FCF

**20%+**

FCF/share CAGR through 2026

Experienced management team committed to delivering for shareholders



GoDaddy

# Appendix

Investor Day | March 6, 2024



# Growth, profitability & capital return outlook

Our durable business enables predictability and is benefited by strong secular market trends

	Q1 2024	2024	2024 - 2026
Revenue	\$1.085B - \$1.105B	\$4.480B - \$4.560B	6% - 8% Annual Growth
Applications & Commerce Growth	Low - mid teens	Low - mid teens	Low - mid teens
Core Platform Growth	Low single digits	Low single digits	Low single digits
Normalized EBITDA margin	27%	~29%	~33% in 2026
Unlevered free cash flow		\$1.4B+	\$5B+ cumulative
Free cash flow		\$1.2B+	\$4.5B+ cumulative
Free cash flow per share		~\$9.00	20%+ CAGR



# Cash tax modeling

## Short-term

\$30M cash taxes through 2026, primarily foreign

Over \$1B  
net operating loss  
(NOL) carry-forwards

2024

## Medium-term

NOLs begin to expire  
in 2027

Estimated \$45M-\$60M  
foreign and US cash  
taxes

2027

## Long-term

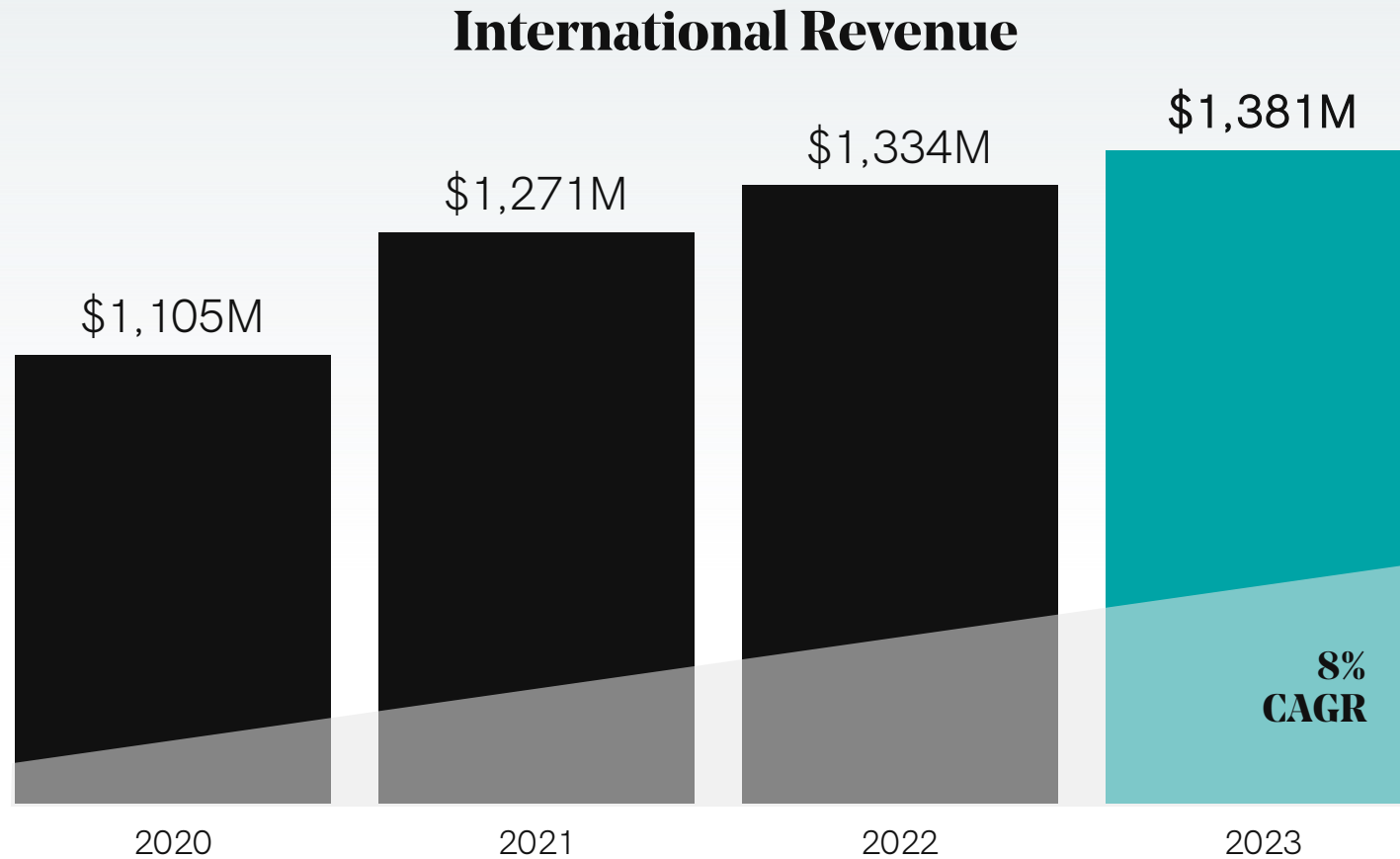
NOLs and other tax  
benefits expire ~2030

2030



# Taking our successful model global

Implementing our successful U.S. playbook globally with steady international growth





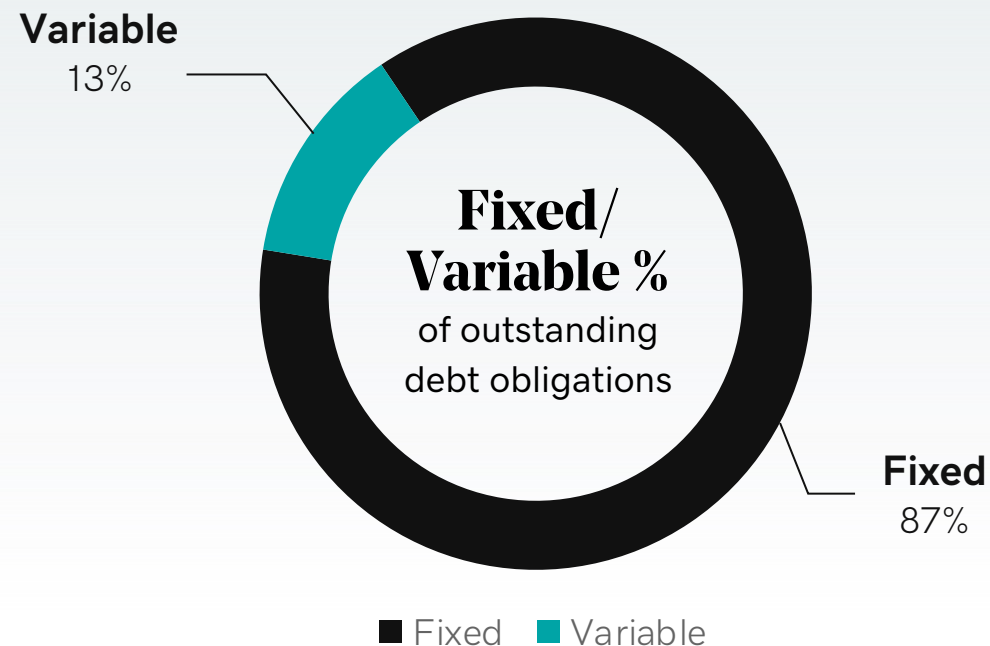
# Strong balance sheet with ample liquidity

Total liquidity of \$1.5B

\$1B undrawn revolver

\$3.4B in net debt

Long Term Debt Structure



\$1.75B Term Loan Maturity - 2029

\$724M Term Loan Maturity - 2027

\$600M Unsecured Debt - 2027

\$800M Unsecured Debt - 2029



# Financial guidance and disclosures

Predictable and transparent rhythm for reporting key metrics

	Quantitative guidance		Disclosure	
Metric	Quarterly	Annually	Quarterly	Annually
Consolidated revenue	x	x	x	x
Growth ranges for segments	x	x	x	x
Normalized EBITDA & Margin	x	x	x	x
Unlevered free cash flow		x	x	x
Free cash flow		x	x	x
Free cash flow per share		x	x	x
ARR for segments			x	x
Segment EBITDA & Margin			x	x
Total customers, retention and ARPU			x	x
Annualized GPV				x



# Non-GAAP reconciliation: **NEBITDA**

Reconciliation of NEBITDA (\$M)	2020	2021	2022	2023
Net income (loss)	\$(494.1)	\$242.8	\$352.9	\$1,375.6
Depreciation and amortization	202.7	199.6	194.6	171.3
Equity-based compensation expense <sup>1</sup>	191.5	207.9	264.4	294.0
Interest expense, net	86.9	124.9	135.0	155.4
Acquisition-related expenses <sup>2</sup>	25.0	78.2	35.1	12.1
Restructuring and other <sup>3</sup>	36.8	8.0	27.4	97.9
Provision for income taxes & TRA adjustments	673.4	10.8	3.6	(971.8)
Total NEBITDA	722.2	\$872.2	\$1,013.0	\$1,134.5
Net income margin	(14.9)%	6.4%	8.6%	32.3%
NEBITDA margin	21.8%	22.9%	24.8%	26.7%



# Non-GAAP reconciliation:

## Free cash flow

### Reconciliation of free cash flow (\$M)

	2020	2021	2022	2023
Net cash provided by operating activities	\$764.6	\$829.3	\$979.7	\$1,047.6
Capital expenditures	(66.5)	(51.1)	(59.7)	(42.0)
Cash paid for acquisition-related costs <sup>1</sup>	27.4	64.9	37.9	11.2
Cash paid for restructuring and other charges <sup>2</sup>	19.4	12.7	10.7	67.6
<b>Free cash flow</b>	<b>\$744.9</b>	<b>\$855.8</b>	<b>\$968.6</b>	<b>\$1,084.4</b>
Cash paid for interest on long-term debt	80.5	104.2	127.3	169.8
<b>Unlevered free cash flow</b>	<b>\$825.4</b>	<b>\$960.0</b>	<b>\$1,095.9</b>	<b>\$1,254.2</b>



Non-GAAP reconciliation:

## Technology & Development

Reconciliation of Technology & Development (\$M)	Year ended December 31,			
	2020	2021	2022	2023
Technology & development	\$560.4	\$706.3	\$794.0	\$839.6
Equity-based compensation: technology & development	(90.2)	(110.0)	(140.3)	(162.4)
Acquisition-related costs: technology & development	(3.9)	(44.1)	(19.1)	(11.5)
Normalized technology & development	\$466.3	\$552.2	\$634.6	\$665.7



# Non-GAAP financial measures and other operating and business metrics

## Total bookings

Total bookings is an operating metric representing the total value of customer contracts entered into during the period, excluding refunds. We believe total bookings provides additional insight into the performance of our business and the effectiveness of our marketing efforts since we typically collect payment at the inception of a customer contract but recognize revenue ratably over the term of the contract.

## Constant currency

Constant currency is calculated by translating bookings and revenue for each month in the current period using the foreign currency exchange rates for the corresponding month in the prior period, excluding any hedging gains or losses realized during the period. We believe constant currency information is useful in analyzing underlying trends in our business by eliminating the impact of fluctuations in foreign currency exchange rates and allows for period-to-period comparisons of our performance.

## Annualized recurring revenue (ARR)

ARR is an operating metric defined as quarterly recurring revenue (QRR) multiplied by four. QRR represents the quarterly recurring GAAP revenue, net of refunds, from new and renewed subscription-based services. ARR is exclusive of any revenue that is non-recurring, including, without limitation, domain aftermarket, domain transfers, one-time set-up or migration fees and non-recurring professional website services fees. We believe ARR helps illustrate the scale of certain of our products and facilitates comparisons to other companies in our industry.

## Normalized EBITDA (NEBITDA)

NEBITDA is a supplemental measure of our operating performance used by management and investors to evaluate our business. We calculate NEBITDA as net income excluding depreciation and amortization, interest expense (net), provision or benefit for income taxes, equity-based compensation expense, acquisition-related costs, restructuring-related expenses and certain other items. We believe that the inclusion or exclusion of certain recurring and non-recurring items provides a supplementary measure of our core operating results and permits useful alternative period-over-period comparisons of our operations but should not be viewed as a substitute for comparable GAAP measures.



# Non-GAAP financial measures and other operating and business metrics

## NEBITDA margin

NEBITDA margin is used by management as a supplemental measure of our operating performance and refers to the ratio of NEBITDA to revenue, expressed as a percentage.

## Net debt

We define net debt as total debt less cash and cash equivalents and short-term investments. Total debt consists of the current portion of long-term debt plus long-term debt and unamortized original issue discount and debt issuance costs. Our management reviews net debt as part of its management of our overall liquidity, financial flexibility, capital structure and leverage and we believe such information is useful to investors. Furthermore, certain analysts and debt rating agencies monitor our net debt as part of their assessments of our business.

## Gross merchandise volume (GMV)

GMV is a business metric calculated by annualizing the total quarterly dollar value of orders facilitated by our customers through our Commerce platform, including shipping and handling, and taxes, and is shown net of discounts, and returns (where visibility exists). While GMV is not indicative of our performance, we believe it is an indicator of the strengths of our products and platforms.

## Gross payments volume (GPV)

GPV is an operating metric calculated by annualizing the total quarterly dollar value of transactions processed through our payments platform. GPV is representative of the volume of transactions in which we record transaction revenue based on our payment processing rate.

## Unlevered free cash flow

Unlevered free cash flow is a measure of our liquidity used by management to evaluate our business prior to the impact of our capital structure and restructuring and after purchases of property and equipment. Such liquidity can be used by us for strategic opportunities and strengthening our balance sheet. However, given our debt obligations, unlevered free cash flow does not represent residual cash flow available for discretionary expenses.



# Non-GAAP financial measures and other operating and business metrics

## Free cash flow

Free cash flow is defined as our unlevered free cash flow less interest payments for the period. We use free cash flow as a supplemental measure of our liquidity, including our ability to generate cash flow in excess of capital requirements and return cash to shareholders, though it should not be considered as an alternative to, or more meaningful than, comparable GAAP measures.

## Average revenue per user (ARPU)

We calculate ARPU as total revenue during the preceding 12 month period divided by the average of the number of total customers at the beginning and end of the period. ARPU provides insight into our ability to sell additional products to customers, though the impact to date has been muted due to our continued growth in total customers.

## Total customers

We define a customer as an individual or entity with paid transactions in the trailing twelve months or with paid subscriptions as of the end of the period. A single user may be counted as a customer more than once if they maintain paid subscriptions or transactions in multiple accounts. Total customers is one way we measure the scale of our business and is an important part of our ability to increase our revenue base.