Sidoti & Company LLC
Spring 2021 Virtual Investor Conference

March 25, 2021
Forward-Looking Statements and Non-GAAP Financial Measures

This presentation contains forward-looking statements, including statements regarding our financial management and our expectation to continue to invest in our strategic priorities and digital transformation initiatives. These forward-looking statements are based on our current assumptions and beliefs and involve risks and uncertainties that could cause our results to differ materially from our forward-looking statements. Those risks and uncertainties include: a decline in client renewals, the loss of one or more of our key clients, the contraction in our revenue from one or more of our key clients - either in the ordinary course of business or as a result of macroeconomic conditions resulting from the COVID-19 pandemic - in each case resulting in churn, or our clients not expanding their relationships with us; economic or other adverse events or conditions affecting the technology industry, including as a result of the COVID-19 pandemic; and other risks and uncertainties described more fully in our periodic reports filed with the Securities and Exchange Commission, which can be obtained online at the Commission’s website at http://www.sec.gov. All forward-looking statements in this presentation are based on information currently available to us, and except as may be legally required we assume no obligation to update these forward-looking statements.

This presentation also includes measures defined by the SEC as non-GAAP financial measures. ServiceSource believes these non-GAAP financial measures can provide useful supplemental information to investors relating to its financial condition and results of operations when read in conjunction with the Company’s reported results. These non-GAAP measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP. Definitions of these non-GAAP financial measures and reconciliations to the closest GAAP financial measures are available in our earnings press releases posted on the Investor Relations portion of the ServiceSource website and at the end of the presentation.
Today’s Call

- Company Overview
- FY 2020 Business & Financial Highlights
- Long-Term Roadmap
- Key Investment Highlights
- Q&A

Gary B. Moore
Chairman & CEO

Chad Lyne
CFO

Webcast Details
Webcast Link: https://sidoti.zoom.us/webinar/register/WN_KW9xwO_uSASvgkjXmnI9tA
Who We Are.

ServiceSource is an outsourced go-to-market services provider that delivers B2B digital sales, customer success, renewals management and channel management solutions.

Our expert sales professionals, data-powered insights and proven methodologies scale and transform customer journey experiences into profitable business outcomes.

Our CJX™ solution suite helps companies reimagine their customer acquisition, engagement, expansion, and retention initiatives to sell more, scale better, and grow faster.
OUR BACKGROUND

- Founded in 1999
- IPO in 2011
- $5B+ of Annual Client Revenue Impact

OUR VISION

Transforming the B2B Customer Journey Experience (CJX™).
ServiceSource is a global market leader with a configurable, outcome-focused model that delivers more profitable and valuable customer relationships for technology titans and digital disruptors. We help our clients’ customers stay longer, buy more, and be more successful throughout their journey.

OUR REPRESENTATIVE CLIENTS

- Cisco
- Dell
- Microsoft
- Okta
- VMware
- Red Hat

ServiceSource Snapshot

• $194.6M Revenue
• Zero Net Debt
• ~40 Marquee Clients

© 2020 ServiceSource International, Inc. | All rights reserved.
A Configurable, Purpose-Built, Integrated Customer Journey Experience (CJX®) Solution Suite

**CORE SOLUTIONS**

- **Digital Sales.**
  - Lead Qualification
  - Lead Conversion
  - Account Management

- **Customer Success.**
  - Onboarding
  - Adoption
  - Renewal Management

- **Channel Management.**
  - Partner Recruitment
  - Partner Onboarding & Enablement
  - Partner Success Management

**ENABLING COMPETENCIES**

- **People**
- **Process**
- **Insights**
Delivering Client Value Across The ILAER Continuum.
We Operate Digitally, Sell Virtually, And Conduct Multilingual Commerce Globally

NALA Language Coverage:
- Brazilian Portuguese
- English
- French Canadian
- Spanish

EMEA Language Coverage:
- Arabic
- Bulgarian
- Catalan
- Czech
- Danish
- Dutch
- English
- Farsi
- Finnish
- French
- German
- Greek
- Hebrew
- Hungarian
- Italian
- Latvian
- Lithuanian
- Norwegian
- Polish
- Portuguese
- Romanian
- Russian
- Slovak
- Spanish
- Swedish
- Swiss
- German
- Turkish
- Ukrainian

APJ Language Coverage:
- Indonesian
- Malay
- Cantonese
- English
- Hindi
- Hokkien
- Japanese
- Korean
- Mandarin
- Chinese
- Tagalog
- Taiwanese
- Tamil
- Thai
- Vietnamese

~2,800 Employees Worldwide
170+ Countries Sold Into
45 Languages

11 Global Delivery Locations
8 Countries of Operation
100% Virtual-First Operating Model Since March '20

© 2021 ServiceSource International, Inc. | All rights reserved.
Playing A Mission-Critical Retention & Growth Role

Recent “blinded” SaaS example of how our integrated CJX™ approach can drive value
Playing A Mission-Critical Retention & Growth Role
Recent “blinded” SaaS example of how our integrated CJX™ approach can drive value

$20M+ of incremental bookings over three-year proposal
$400M+ of enterprise value impact
Core Values
Brand Promise: Trusted Business Outcomes Delivered

DEDICATION
• We deliver on the commitment to excellence.
• We have a mindset of continuous innovation.
• We act with urgency and speed.

CARING
• We care for our clients, our communities, and each other.
• We choose respect and kindness in every interaction.
• We donate our time and energy to impact the people around us.

TRUST
• We communicate transparently.
• We believe in each other and do the right thing.
• We act with integrity, accountability, and respect.

COLLABORATION
• We win and learn as a team.
• We invest in growth for ourselves and our clients.
• We value the contributions of others.
FY 2020 Highlights
Demonstrated resilience through a challenging macro

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2020</th>
<th>Change</th>
<th>PY 2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue vs. PY</td>
<td>$194.6M</td>
<td>▼10.0%</td>
<td>$216.2M</td>
<td>▼10.0%</td>
</tr>
<tr>
<td>Non-GAAP Gross Profit vs. PY</td>
<td>$63.4M</td>
<td>▼4.2M</td>
<td>$67.6M</td>
<td>▼4.2M</td>
</tr>
<tr>
<td>Adjusted EBITDA vs. PY</td>
<td>$4.3M</td>
<td>▲$0.1M</td>
<td>$4.2M</td>
<td>▲$0.1M</td>
</tr>
</tbody>
</table>

Contract Renewals
~81% renewed or extended

Top Clients
4 of top 5 grew revenue year-over-year
10+ year average tenure for current top 10

New Logo Wins
6

"Health & Fitness Industry Software Company"
Firefly
nextiva
PagerDuty
ptc
2020 Business Highlights

▸ Expanded non-GAAP Gross Profit margins and Adjusted EBITDA year-over-year

▸ Won two new clients in the fourth quarter and six for the full-year

▸ Grew revenue year-over-year with four of our five largest clients

▸ Signed expansion wins with seven of our current top ten clients

▸ Grew Q2-Q4 new bookings more than 25% year-over-year
Encouraging signs of economic recovery balanced against uncertain and difficult operating environments within many of our clients’ businesses.

More challenging YoY comparison in H1 due to normal seasonality trends and ongoing pressure in our clients’ mid-market and SMB customer tiers.

Believe segment-specific pressure will begin to abate later this year as buyer confidence and IT budgets return in these tiers.

Expect to return to growth in the back half of 2021.

Confident that we have the right strategy, team, priorities, and focus to build a growing, profitable, and more valuable enterprise.
## Long-Term Target Model

<table>
<thead>
<tr>
<th></th>
<th>2020 Actual</th>
<th>2021 Context</th>
<th>3-5 Year Target Model</th>
<th>Illustrative Target Model Levers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$194.6M</td>
<td>H1 YoY contraction</td>
<td>$250M+ ▲10%+ YoY</td>
<td>• Installed base opportunity expansion inline with broader market growth outlooks</td>
</tr>
<tr>
<td></td>
<td>▼10.0% YoY</td>
<td>YoY growth in back half of year</td>
<td></td>
<td>• More new logo wins in higher growth cloud/SaaS vertical</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Profit Margin</strong></td>
<td>32.6%</td>
<td>n.d.</td>
<td>38%+</td>
<td>• Annual client revenue churn reduced to 5-15% with new bookings in excess of churn by &gt;2:1 ratio</td>
</tr>
<tr>
<td></td>
<td>+130bps YoY</td>
<td></td>
<td></td>
<td>• Virtual-first operating model facility rationalization (100-200bps)</td>
</tr>
<tr>
<td><strong>Adj. EBITDA</strong></td>
<td>$4.3M</td>
<td>n.d.</td>
<td>10-12% of Revenue</td>
<td>• Excess IT capacity and third-party license rationalization (100-200bps)</td>
</tr>
<tr>
<td></td>
<td>2.2% of Revenue</td>
<td></td>
<td></td>
<td>• Span of control leverage against larger scale (100-200bps)</td>
</tr>
<tr>
<td><strong>Capex (incl. IDSW)</strong></td>
<td>$7.9M</td>
<td>n.d.</td>
<td>2-4% of Revenue</td>
<td>• Ongoing productivity uplift and automation gains offset potential wage inflation and pricing pressure</td>
</tr>
<tr>
<td></td>
<td>4.0% of Revenue</td>
<td></td>
<td></td>
<td>• Maintain OpEx discipline and leverage against larger scale</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Inline with customer experience BPO peers</td>
</tr>
</tbody>
</table>

n.d. = not disclosed
**Investment Highlights**

**Experienced Leadership Team**
- **200+ years** of collective IT/BPO experience
- **50+ years** of combined domain expertise at SREV

**Large Market Opportunity**
- **$3.7 Trillion** Global IT market; 5.6% CAGR (2020-2024E) \(^{(1)}\)
- **$624 Billion** Core TAM; 6.4% CAGR (2020-2024E) \(^{(2)}\)

**Blue-Chip Client Base**
- **10+ year average tenure** of current top 10 clients
- **5%+ Revenue CAGR** (2015-2020) across current top 10 clients

**Aligned to Growth Areas**
- **~2/3 of Revenue** from cloud & software companies
- **20%+ CAGR** (2020-2025E) for customer success market \(^{(3)}\)

**Positioned for Value Expansion**
- **2.4x EV/Revenue** for B2C CX BPO peers \(^{(4)}\)
- **10x+ EV/Revenue** for CSM/CX platform comps \(^{(5)}\)

---

\(^{(1)}\) Gartner, Worldwide IT Spending Forecast, January 2021
\(^{(3)}\) MarketsandMarkets, Customer Success Platforms Market – Global Forecast to 2025, January 2021
\(^{(4)}\) ServiceSource research (peers include SYKE, SRT, IBEX, TTEC, TEP.PE, CNXC, EXLS, G, TIXT)
\(^{(5)}\) ServiceSource research (comps include Qualtrics, Medallia, Gainsight, Totango, ChurnZero)