4th Quarter & Full-Year 2025 Results

February 11, 2026

Safe Harbor Statement

This presentation and the accompanying oral presentation contain forward-looking statements and information that are based on our management's beliefs and assumptions and on information currently available to our management. The statements and information contained in this presentation that are not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements about: our expectations for future financial performance; the anticipated benefits of our new financial framework and long-term operating leverage; demand for and adoption of our solutions, including digital banking, risk and fraud, Symphonix, relationship pricing, Helix, and AI solutions; our commercial solutions; expected bookings activity, renewals and expansion opportunities; expected cross sell opportunities; continued growth in subscription revenue; pipeline strength and customer demand; our ability to retain existing customers and attract new customers; our growth strategy and ability to execute on profitable growth; our ability to execute against our financial targets; our position to capitalize on market demand; our momentum and ability to deliver strong results in 2026 and beyond; our confidence in the future of our business; our FY'30 financial framework; the scalability, differentiation and competitive advantages of our platform, data strategy and AI strategy; our AI and intelligent automation capabilities and innovation initiatives; our ability to embed AI responsibly across our products; the capabilities, growth opportunity, and demand for our risk and fraud solutions; our differentiated market positioning; our ability to innovate, expand our product offerings and deliver value to customers; market opportunities, industry trends and customer demand; our capital allocation priorities, including share repurchases; our ability to navigate economic conditions and deliver long-term shareholder value; our position to deliver value to customers, employees and shareholders for 2026 and beyond; and our quarterly and annual financial guidance and outlook.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would, " "strategy," "future," "likely" or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors 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. Forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. These statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. Factors that may cause such differences include, but are not limited to, the risks described in our earnings press release for the period ending December 31, 2025 and under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on February 11, 2026, and those discussed in other documents we file and furnish with the SEC. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes references to adjusted EBITDA, which is a non-GAAP financial measure under SEC rules. We define adjusted EBITDA as net income (loss) before stock-based compensation, transaction-related costs, depreciation, amortization, lease and other restructuring charges, non-recurring legal settlements, provision for income taxes and interest and other (income) expense, net. This presentation also references non-GAAP gross margin and non-GAAP gross profit, which adjusts gross profit and gross margin for stock-based compensation, amortization of acquired technology, transaction-related costs, lease and other restructuring charges. This presentation also references free cash flow, which adjusts net cash provided by (used in) operating activities for purchases of property and equipment and capitalized software development costs. This presentation also references adjusted EBITDA margin, which is determined by dividing adjusted EBITDA by revenue. Management believes that these non-GAAP measures are useful measures of operating performance because they exclude items that we do not consider indicative of our core performance. However, these non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, the most directly comparable GAAP measure, or other financial measures prepared in accordance with GAAP. Our management uses these non-GAAP financial measures as a measure of operating performance; to prepare our annual operating budget; to allocate resources to enhance the financial performance of our business; to evaluate the effectiveness of our business strategies; to provide consistency and comparability with past financial performance; to facilitate a comparison of our results with those of other companies, many of which use similar non-GAAP financial measures to supplement their GAAP results; and in communication with our board of directors concerning our financial performance. A reconciliation to the closest GAAP measures of these non-GAAP measures is contained in tabular form at the end of this presentation. A reconciliation of forward-looking adjusted EBITDA guidance used in this presentation to GAAP net income (loss) is not available without unreasonable effort due to the uncertainty regarding, and the potential variability of, certain of the adjustments required to calculate adjusted EBITDA that may be incurred in the future.

Unless otherwise indicated, all financial measures discussed in this presentation are presented on a non-GAAP basis.

4th Quarter 2025 Review

$191M
of convertible debt retired in qtr

$780M
Subscription Annualized Recurring Revenue[1]

$2.7B
Ending backlog as of December 31, 2025

8
Tier 1 + Enterprise Wins[2]

$208.2M[1]
REVENUE

$433M
End of Quarter balance of cash, cash equivalents + investments[3]

$51.2M
Adjusted EBITDA[1]

24.6%
Adjusted EBITDA margin[1]

[1]For the fourth quarter ended December 31, 2025. [2]Number of contracts signed with customers above $5 billion in assets (Tier 1) and $50B in assets (Enterprise), throughout the fourth quarter 2025. [3]As of December 31, 2025, excluding restricted cash from the calculation.

4th Quarter & Full-Year 2025 Results

		4Q25		FY 2025	
		Totals	Y/Y Change	Totals	Y/Y Change
GAAP	Revenue	$208.2	14%	$794.8	14%
	Gross Profit	$115.3	20%	$429.7	21%
	Net Income	$20.4	*NM*	$52.0	*NM*
Non-GAAP	Gross Profit	$122.1	16%	$461.1	18%
	Adj EBITDA	$51.2	36%	$186.5	49%

$ in millions

We closed out 2025 with the second strongest bookings quarter in company history, building from the third quarter momentum and reflecting strong execution across our business.

The year featured a balanced mix of net new and expansion wins, continued demand across our major product lines and was also a pivotal year for AI-driven innovation.

We delivered meaningful improvements in profitability and free cash flow, which we believe positions us well for continued execution in 2026 and beyond.

Matt Flake
Chairman & CEO

Q2

4th Quarter 2025 Highlights

New Customer Wins & Expansion Opportunities	Subscription ARR	Backlog
8 Tier 1 + Enterprise Wins	**$780 million** Subscription Annualized Recurring Revenue	**$2.7 billion** Total Committed Backlog
	+14% Y/Y From $682 million in 4Q24	**+21% Y/Y** Compared to 4Q24

- Signed eight Tier 1 + Enterprise contracts in the quarter highlighted by:
  - A net new agreement with a Tier 1 bank for our commercial digital banking and relationship pricing solutions.
  - An expansion agreement with a $40 billion bank to add commercial digital banking and risk and fraud solutions.
  - A net new agreement with a top five credit union to utilize our prepaid card solutions.

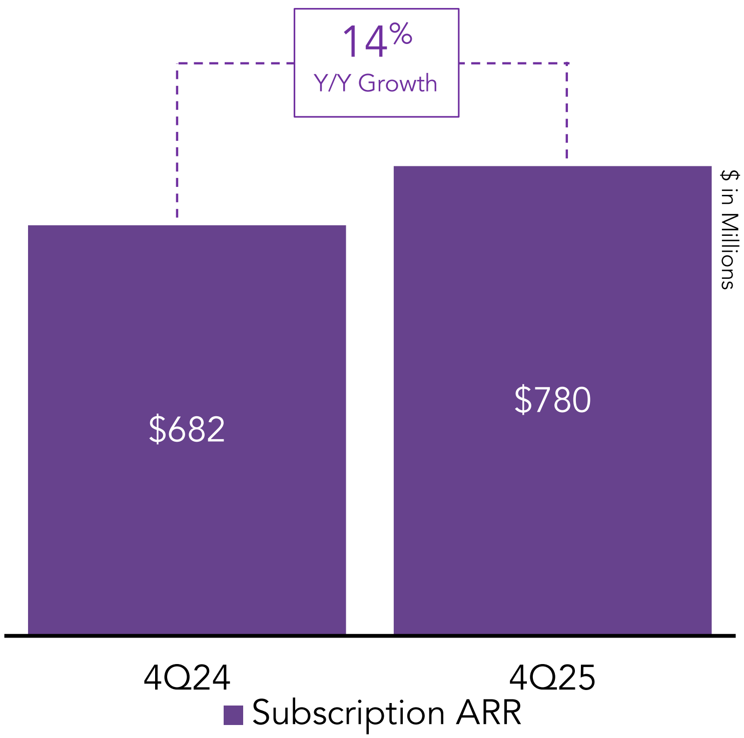
- Subscription Annualized Recurring Revenue increased to $780 million, up 14 percent year-over-year from $682 million at the end of the fourth quarter of 2024.

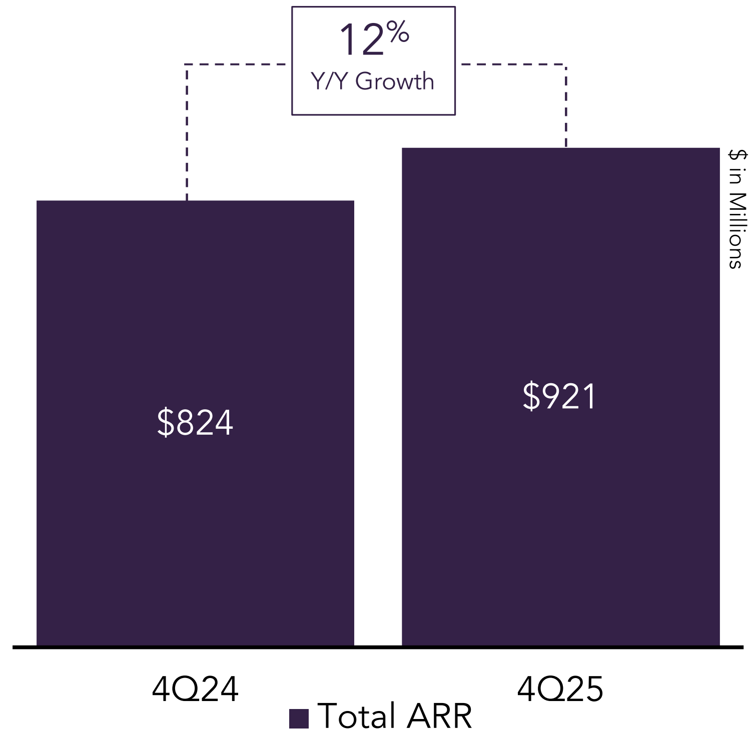
- Remaining Performance Obligation total, or Backlog, increased by $175 million sequentially, resulting in total committed Backlog of approximately $2.7 billion at quarter-end, representing 7 percent sequential growth and 21 percent year-over-year growth.

See the "Customer Tiering" and Subscription Annualized Recurring Revenue (Subscription ARR) definitions in the Appendix to this presentation.

Annualized Recurring Revenue

Subscription ARR growth of 14%; Total ARR growth continues to be impacted by declines in non-Subscription ARR





Subscription Annualized Recurring Revenue and Total Annualized Recurring Revenue (ARR) are defined in the appendix of this presentation.

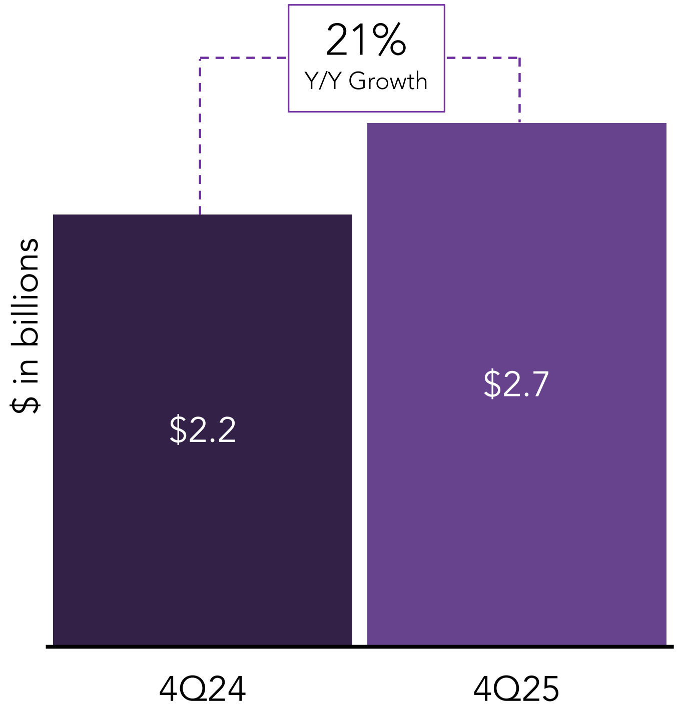
Remaining Performance Obligations (RPO, Backlog)

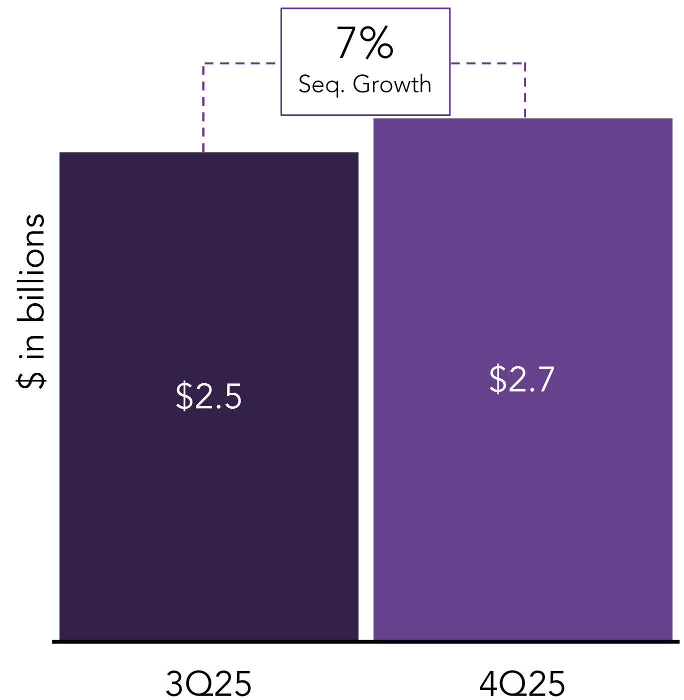
Continued solid year-over-year growth driven by new, expansion & renewal bookings

$2.7B

RPO Balance as of December 31, 2025

RPO Expected to be Recognized in the Next:	% of Total RPO Amount
24 months	**52%**
25-48 months	**34%**

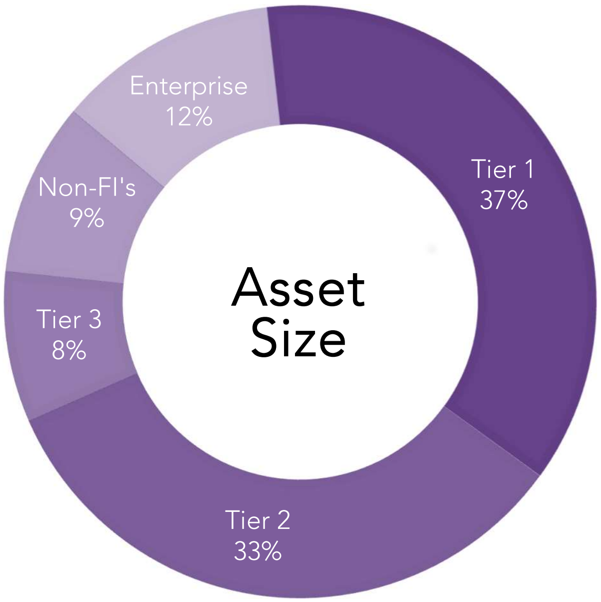


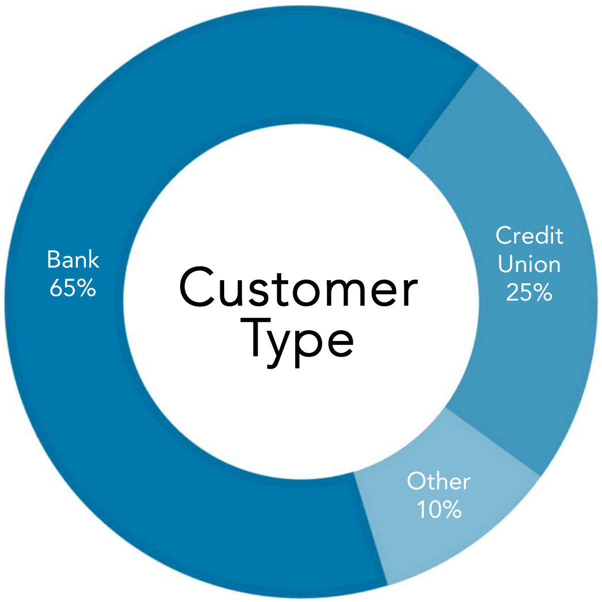


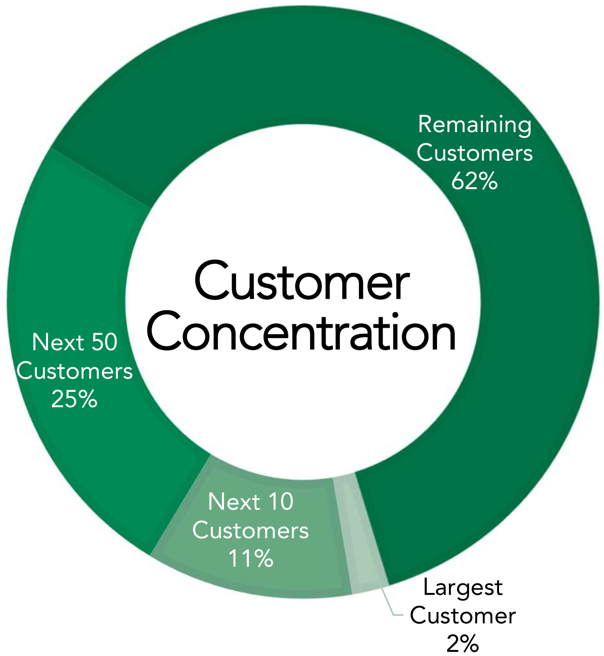
Q2 Remaining Performance Obligations, or "Backlog", represents contracted revenue minimums that have not yet been recognized, including amounts that are contracted to be invoiced and recognized as revenue in future periods.

Revenue Breakout

Diverse base of customers across asset size and customer type







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Note: Data as of twelve months ended December 31, 2025. See "Customer Tiering" in the Appendix to this presentation for further information on how we define the various Tiers of our customers.

Financial Guidance

Represents 10% full-year revenue growth and full-year adjusted EBITDA margin of approximately 26%

	1Q 2026		Full-Year 2026	
	Low	High	Low	High
Revenue	$212.5	$216.5	$871.0	$878.0
Adj EBITDA	$52.5	$55.5	$225.0	$230.0

$ In Millions

As of February 11, 2026, Q2 Holdings is providing guidance for its first quarter of 2026 and full-year 2026, which represents Q2 Holdings' current estimates on Q2 Holdings' operations and financial results. The financial information above represents forward-looking, non-GAAP estimates of adjusted EBITDA financial information. GAAP net income (loss) is the most comparable GAAP measure to adjusted EBITDA. Adjusted EBITDA differs from GAAP net income (loss) in that it excludes items such as stock-based compensation, transaction-related costs, depreciation, amortization, lease and other restructuring charges, non-recurring legal settlements, provision for income taxes and interest and other (income) expense, net. Q2 Holdings is unable to predict with reasonable certainty the ultimate outcome of these exclusions without unreasonable effort. Therefore, Q2 Holdings has not provided guidance for GAAP net income (loss) or a reconciliation of the foregoing forward-looking adjusted EBITDA guidance to GAAP net income (loss). However, it is important to note that these excluded items could be material to our results computed in accordance with GAAP in future periods.

Financial Outlook

Non-GAAP	FY'24A	FY'25A	FY'26 Current Outlook[1]
Subscription Revenue Growth	16.2%	17.2%	>14.0%
Gross Margin	56.0%	58.0%	>60.0%
Adj EBITDA Margin	18.0%	23.5%	~26.0%
Free Cash Flow Conversion	85.1%	93.0%	>90.0%

Financial Framework[2]

	FY'27	FY'30
	12.5% - 13% Subscription Revenue Growth	~65% Non-GAAP Gross Margin
	150 - 200bps Adj EBITDA Margin Expansion	~35% Adj EBITDA Margin

[1]FY'26 current outlook reflects the Company's expectations for the full fiscal year 2026, including at least 14% subscription revenue growth, at least 60% gross margin, and adjusted EBITDA margin of approximately 26.0%, which represents the midpoint of the Company's FY'26 adjusted EBITDA guidance provided on February 11, 2026. [2]Financial framework represents directional financial objectives and does not constitute guidance. FY'27 subscription revenue growth and adjusted EBITDA margin expansion represent preliminary objectives the Company targets to achieve for the full-year 2027. Gross and adjusted EBITDA margins represent annual performance objectives the Company is targeting to achieve by the end of FY'30. Forward-looking statements are subject to risks and uncertainties, and actual results may differ materially.

Appendix

Strong Visibility, Increasing Profitability, Expanding Opportunity

Long Runway to Sustain High Growth and Margin Expansion

>1,200 Total Customers[1]	14% YoY Growth in Subscription ARR[2]	>5 Years Avg. Contract Length[3]	82% Subscription Revenue as a % of Total[4]
5% Recurring Revenue Churn Rate[5]	>22% New Customer ASP Increase Y/Y[6]	>27M Registered End Users[7]	61% Avg. Customer Contracted Revenue Growth at 48 months[8]

$23B Total Addressable Market[9]

[1]Total numbers of customers signed as of December 31, 2025. [2]Subscription Annualized Recurring Revenue (ARR) growth as measured from the total balance of Subscription ARR on December 31, 2025 compared to the total balance of Subscription ARR on December 31, 2024. [3]For digital banking platform customers as of December 31, 2025. [4]Subscription revenue as a percentage of total company revenue for the fourth quarter and full-year ended December 31, 2025. [5]Recurring revenue churn for the full year 2025 as discussed in our 10-K filed on February 11, 2026. [6]Average Selling Price (ASP) is derived by assessing new Digital Banking Platform deals sold in full year 2025 compared to 2024. [7]Registered end users on our digital banking platform, as of December 31, 2025. [8]Based on digital banking platform customers that went live from 2013-2025. Growth of contracted recurring revenue by Q2 platform customers 48 months after implementation. [9]We believe our expanded solution offerings and the continued growth of our customer base and market opportunity have increased the addressable market for our solutions to greater than $23 billion as discussed in our annual report on 10-K filed on February 11, 2026. These forward-looking figures represent Q2's financial targets, may prove to be inaccurate, and do not constitute guidance.

Consolidated Balance Sheets

Q2 Holdings, Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 367,631	$ 358,560
Restricted cash	1,672	2,233
Investments	65,064	88,066
Accounts receivable, net	51,716	42,084
Contract assets, current portion, net	8,596	7,888
Prepaid expenses and other current assets	28,234	23,512
Deferred solution and other costs, current portion	22,631	26,611
Deferred implementation costs, current portion	10,508	9,706
Total current assets	556,052	558,660
Property and equipment, net	27,783	31,528
Right of use assets	27,188	30,402
Deferred solution and other costs, net of current portion	27,827	28,116
Deferred implementation costs, net of current portion	28,929	26,408
Intangible assets, net	78,377	94,633
Goodwill	512,869	512,869
Contract assets, net of current portion and allowance	14,103	9,483
Other long-term assets	3,149	2,696
Total assets	$ 1,276,277	$ 1,294,795
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 76,799	$ 60,542
Convertible notes, current portion	303,368	190,331
Deferred revenues, current portion	155,003	137,700
Lease liabilities, current portion	8,915	10,327
Total current liabilities	544,085	398,900
Convertible notes, net of current portion	-	302,115
Deferred revenues, net of current portion	26,826	27,281
Lease liabilities, net of current portion	33,832	38,346
Other long-term liabilities	9,723	10,357
Total liabilities	614,466	776,999
Stockholders' equity:		
Common stock	6	6
Additional paid-in capital	1,275,980	1,183,893
Accumulated other comprehensive loss	(1,953)	(1,873)
Accumulated deficit	(612,222)	(664,230)
Total stockholders' equity	661,811	517,796
Total liabilities and stockholders' equity	$ 1,276,277	$ 1,294,795

Consolidated Statements of Comprehensive Income (Loss)

Q2 Holdings, Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(in thousands, except per share data)
(unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Revenues[1]	$ 208,222	$ 183,045	$ 794,809	$ 696,464
Cost of revenues[2]	92,938	86,702	365,126	341,983
Gross profit	115,284	96,343	429,683	354,481
Operating expenses:				
Sales and marketing	25,893	27,215	105,858	105,951
Research and development	40,631	35,722	154,330	143,244
General and administrative	30,452	29,988	125,513	122,942
Transaction-related costs	166	-	166	-
Amortization of acquired intangibles	-	2,587	93	16,979
Lease and other restructuring charges	1,278	2,406	3,826	7,628
Total operating expenses	98,420	97,918	389,786	396,744
Income (loss) from operations	16,864	(1,575)	39,897	(42,263)
Total other income, net	3,916	3,511	14,828	11,403
Income (loss) before income taxes	20,780	1,936	54,725	(30,860)
Provision for income taxes	(337)	(1,772)	(2,717)	(7,676)
Net income (loss)	$ 20,443	$ 164	$ 52,008	$ (38,536)
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale investments	(24)	(168)	(36)	392
Foreign currency translation adjustment	(73)	(1,112)	(44)	(1,154)
Comprehensive income (loss)	$ 20,346	$ (1,116)	$ 51,928	$ (39,298)
Net income (loss) per common share:				
Basic	$ 0.33	$ 0.00	$ 0.84	$ (0.64)
Diluted	$ 0.31	$ 0.00	$ 0.80	$ (0.64)
Weighted average common shares outstanding				
Basic	62,515	60,497	62,156	60,105
Diluted	68,394	64,654	65,118	60,105

[1] The following table disaggregates the Company's revenue by major source:

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Subscription	$ 170,669	$ 146,597	$ 648,598	$ 553,610
Transactional	17,406	17,562	70,643	68,489
Services and Other	20,147	18,886	75,568	74,365
Total Revenues	$ 208,222	$ 183,045	$ 794,809	$ 696,464

[2] Includes amortization of acquired technology of $4.5 million and $5.5 million for the three months ended December 31, 2025 and 2024, respectively, and $21.0 million and $22.0 million for the twelve months ended December 31, 2025 and 2024, respectively.

Consolidated Statements of Cash Flows

Q2 Holdings, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Twelve Months Ended December 31,	
	2025	**2024**
Cash flows from operating activities:		
Net income (loss)	$ 52,008	$ (38,536)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Amortization of deferred implementation, solution and other costs	30,086	27,038
Depreciation and amortization	53,424	68,809
Amortization of debt issuance costs	2,111	2,059
Amortization of premiums and discounts on investments	(1,098)	(1,273)
Stock-based compensation expense	86,949	89,215
Deferred income taxes	1,236	2,106
Other non-cash charges	653	1,179
Changes in operating assets and liabilities	(23,908)	(14,846)
Net cash provided by operating activities	201,461	135,751
Cash flows from investing activities:		
Net maturities of investments	24,065	7,951
Purchases of property and equipment	(6,810)	(6,692)
Capitalized software development costs	(21,283)	(22,339)
Net cash used in investing activities	(4,028)	(21,080)
Cash flows from financing activities:		
Repurchases of common shares	(5,000)	-
Payment for maturity of convertible notes	(191,000)	-
Debt issuance costs related to Revolving Credit Agreement	-	(942)
Proceeds from exercise of stock options and ESPP	7,028	14,259
Net cash provided by (used in) financing activities	(188,972)	13,317
Effect of exchange rate changes on cash, cash equivalents and restricted cash	49	(827)
Net increase in cash, cash equivalents and restricted cash	8,510	127,161
Cash, cash equivalents and restricted cash, beginning of period	360,793	233,632
Cash, cash equivalents and restricted cash, end of period	$ 369,303	$ 360,793

Reconciliation of GAAP to Non-GAAP Measures

Q2 Holdings, Inc.
Reconciliation of GAAP to Non-GAAP Measures
(in thousands)
(unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
GAAP gross profit	$ 115,284	$ 96,343	$ 429,683	$ 354,481
Stock-based compensation	2,108	2,246	9,711	11,821
Amortization of acquired technology	4,537	5,504	21,049	22,016
Lease and other restructuring charges	192	903	652	1,889
Non-GAAP gross profit	$ 122,121	$ 104,996	$ 461,095	$ 390,207
Revenues	$ 208,222	$ 183,045	$ 794,809	$ 696,464
GAAP gross margin	55.4%	52.6%	54.1%	50.9%
Non-GAAP gross margin	58.6%	57.4%	58.0%	56.0%
GAAP sales and marketing expense	$ 25,893	$ 27,215	$ 105,858	$ 105,951
Stock-based compensation	(2,810)	(3,996)	(14,196)	(16,779)
Non-GAAP sales and marketing expense	$ 23,083	$ 23,219	$ 91,662	$ 89,172
GAAP research and development expense	$ 40,631	$ 35,722	$ 154,330	$ 143,244
Stock-based compensation	(4,308)	(3,253)	(16,860)	(16,456)
Non-GAAP research and development expense	$ 36,323	$ 32,469	$ 137,470	$ 126,788
GAAP general and administrative expense	$ 30,452	$ 29,988	$ 125,513	$ 122,942
Stock-based compensation	(10,956)	(10,264)	(46,182)	(44,159)
Non-recurring legal settlements	-	-	(1,750)	-
Non-GAAP general and administrative expense	$ 19,496	$ 19,724	$ 77,581	$ 78,783
GAAP operating income (loss)	$ 16,864	$ (1,575)	$ 39,897	$ (42,263)
Stock-based compensation	20,182	19,759	86,949	89,215
Transaction-related costs	166	-	166	-
Amortization of acquired technology	4,537	5,504	21,049	22,016
Amortization of acquired intangibles	-	2,587	93	16,979
Lease and other restructuring charges	1,470	3,309	4,478	9,517
Non-recurring legal settlements	-	-	1,750	-
Non-GAAP operating income	$ 43,219	$ 29,584	$ 154,382	$ 95,464
Reconciliation of GAAP net income (loss) to adjusted EBITDA:				
GAAP net income (loss)	$ 20,443	$ 164	$ 52,008	$ (38,536)
Stock-based compensation	20,182	19,759	86,949	89,215
Transaction-related costs	166	-	166	-
Depreciation and amortization	12,536	15,990	53,424	68,809
Lease and other restructuring charges	1,470	3,309	4,478	9,517
Non-recurring legal settlements	-	-	1,750	-
Provision for income taxes	337	1,772	2,717	7,676
Interest and other income, net	(3,946)	(3,370)	(14,978)	(11,343)
Adjusted EBITDA	$ 51,188	$ 37,624	$ 186,514	$ 125,338
Adjusted EBITDA margin	24.6%	20.6%	23.5%	18.0%

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Reconciliation of Free Cash Flow

Q2 Holdings, Inc.
Reconciliation of Free Cash Flow
(in thousands)
(unaudited)

	Twelve Months Ended December 31,	
	2025	**2024**
Net cash provided by operating activities	$ 201,461	$ 135,751
Purchases of property and equipment	(6,810)	(6,692)
Capitalized software development costs	(21,283)	(22,339)
Free cash flow	$ 173,368	$ 106,720

Definitions

Adjusted EBITDA: We define adjusted EBITDA as net income (loss) before stock-based compensation, transaction-related costs, depreciation, amortization, lease and other restructuring charges, non-recurring legal settlements, provision for income taxes and interest and other (income) expense, net. We believe that adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results for the following reasons:

- adjusted EBITDA is widely used by investors and securities analysts to measure a company's operating performance with and without regard to items that can vary substantially from company to company depending upon their financing, capital structures and the method by which assets were acquired;
- our management uses adjusted EBITDA in conjunction with GAAP financial measures for planning purposes, in the preparation of our annual operating budget, as a measure of our operating performance, to assess the effectiveness of our business strategies and to communicate with our board of directors concerning our financial performance;
- adjusted EBITDA provides more consistency and comparability with our past financial performance, facilitates period-to-period comparisons of our operations and also facilitates comparisons with other companies, many of which use similar non-GAAP financial measures to supplement their GAAP results; and
- our investor and analyst presentations include adjusted EBITDA as a supplemental measure of our overall operating performance.

Contracted Revenue: We refer to contracted recurring revenue as being inclusive of all revenue recognized relating to contracted minimums in addition to variable revenue in excess of contracted amounts. Contracted revenue does not include revenue from professional services or other sources of revenue that are not deemed to be recurring in nature.

Customers: We define customers as individuals or entities that have purchased one or more of our products under a unique customer identification number since our inception and individuals or entities that are contracted for at least one of our products. Each unique customer identification number constitutes a separate customer regardless of the amount purchased.

Customer Tiering: For our financial institution customers, we may refer to their designated tiering, which we use to group customers based upon the total assets they report. We define “Enterprise” customers as having total assets equal to or greater than $50 billion. We define “Tier 1” customers as having total assets equal to or greater than $5 billion but less than $50 billion. We define “Tier 2” customers as having total assets equal to or greater than $1 billion but less than $5 billion. We define “Tier 3” customers as having total assets less than $1 billion. Total assets are reported by financial institutions to the FDIC or NCUA, as applicable, and are disclosed on a quarterly basis.

Definitions

Digital Banking Platform: Our digital banking platform allows financial institutions to offer a comprehensive and unified suite of digital banking services to their End Users. Our open platform architecture, deep integration with other systems and the multi-tenant aspects of our infrastructure, enable us to develop digital banking solutions that allow our customers to harness the power of the information within their other systems to gain greater insights and to improve the overall security of their End Users and themselves.

Digital Lending and Relationship Pricing Platforms: Refers to both our PrecisionLender and Symphonix platforms.

Free Cash Flow: In the case of free cash flow, we adjust net cash provided by (used in) operating activities for purchases of property and equipment and capitalized software development costs.

Customer Accounts: Customer Accounts represent an organization or business entity with a contractual commitment for a specific Q2 solution, whether or not that solution is live, as of the last day of the reporting period presented. Because many customers have contractual commitments for multiple solutions, a single customer may be represented across multiple offerings; as a result, Customer Accounts by solution overlap and do not represent unique customers when aggregated.

PrecisionLender Platform: Our PrecisionLender platform is a cloud-based, data-driven sales enablement, pricing and portfolio management solution that allows financial institutions globally to structure and negotiate commercial lending, deposits and fee-based business transactions more effectively.

Registered Users: We define a Registered User as an individual associated with an account holder of a customer with an active consumer digital banking solution who has registered to use one or more of our digital banking solutions and has current access to use those solutions as of the last day of the reporting period presented.

Revenue: We define revenue as total revenue excluding the impact of purchase accounting. We monitor these measures to assess our performance because we believe our revenue growth rates would be understated without these adjustments. We believe presenting revenue aids in the comparability between periods and in assessing our overall operating performance.

Beginning in the year ended December 31, 2024, because there was no impact of purchase accounting on revenue, our non-GAAP total revenue is now equivalent to our GAAP total revenue, and we have therefore not reported non-GAAP total revenue.

Definitions

Subscription Annualized Recurring Revenue: We calculate Subscription ARR as the annualized value of all recurring subscription revenue recognized in the last month of the reporting period, with the exception of variable revenue in excess of contracted amounts for which we instead take the average monthly run rate of the trailing three months within that reporting period. Our Subscription ARR also includes the contracted minimum subscription amounts associated with all contracts in place at the end of the quarter for which revenue recognition has not yet commenced. Subscription revenues are defined within "Critical Accounting Policies and Significant Judgements and Estimates" in our Form 10-K. Subscription ARR is not a forecast of future revenue, which can be impacted by contract start and end dates and renewal rates. Subscription ARR should be viewed independently of revenue and deferred revenue as Subscription ARR is an operating metric and are not intended to be combined with or replace these items. Our use of Subscription ARR has limitations as an analytical tool, and investors should not consider it in isolation. Other companies in our industry may calculate Subscription ARR differently, which reduces their usefulness as comparative measures.

Symphonix: This modular, end-to-end platform allows non-bank lenders to automate and digitize their lending activities, supporting cloud-based loan origination, loan servicing, collections and investor management applications globally, serving a wide range of industries.

Total Annualized Recurring Revenue: We calculate Total ARR as the annualized value of all recurring revenue recognized in the last month of the reporting period, with the exception of variable revenue in excess of contracted amounts for which we instead take the average monthly run rate of the trailing three months within that reporting period. Our Total ARR also includes the contracted minimums associated with all contracts in place at the end of the quarter for which revenue recognition has not yet commenced, and revenue generated from Integrated Services. Integrated Services revenue is generated from select established customer relationships where we have engaged with the customer for more tailored, premium professional services resulting in a deeper and ongoing level of engagement with them, which we deem to be recurring in nature. Total ARR does not include revenue from professional services or other sources of revenue that are not deemed to be recurring in nature. Total ARR is not a forecast of future revenue, which can be impacted by contract start and end dates and renewal rates. Total ARR should be viewed independently of revenue and deferred revenue as Total ARR is an operating metric and is not intended to be combined with or replace these items. Our use of Total ARR has limitations as an analytical tool, and investors should not consider it in isolation. Other companies in our industry may calculate Total ARR differently, which reduces their usefulness as comparative measures.