Q2 2023 Earnings Call

August 2, 2023
Forward Looking Statements and Non-GAAP Financial Measures

This presentation and the accompanying oral presentation (together, the “presentation”) contain forward-looking statements including, among other things, statements regarding (i) our financial outlook, including expected revenue mix, operating margins and margin improvements, targeted or anticipated gross and operating margin levels, achievement of non-GAAP operating margin breakeven exiting the fourth quarter of fiscal 2023, improvements in unit economics, and expected revenue growth rate and efficient growth; (ii) our market and category leadership position; (iii) our expected investments in research and development and go-to-market functions; (iv) our expected capital allocation to drive efficient growth and rate of pace of investments; (v) the potential growth for Confluent Cloud; (vi) rates of Confluent Cloud consumption and demand for and retention of data streaming platforms like Confluent in the face of budget scrutiny; (vii) continued higher interest rates and macroeconomic uncertainty, as well as our expectations regarding the effects of macroeconomic pressure on our go-to-market motion and durability of our offering with customers; (viii) our pricing, win rate and deal cycles and customer behaviors such as budget scrutiny; (ix) customer growth, retention and engagement; (x) ability for Confluent Cloud to provide cost savings for users and customers, including lower total cost of ownership, and drive greater monetization of the open source Kafka user base as a result; (xi) increased adoption of our platform and fully managed solutions for data streaming in general; (xii) dependence of businesses on data in motion; (xiii) ability for Confluent to become the central nervous system of organizations; (xiv) the degree of market acceptance of our products; (xv) growth in and growth rate of revenue, customers, remaining performance obligations, dollar-based net retention rate, and gross retention rate; (xvi) our ability to increase engagement of customers for Confluent and expand customer cohorts; (xvii) our market opportunity; (xviii) our consumption-oriented strategy; (xix) our go-to-market strategy; (xx) our product differentiation and market acceptance of our products, including over open source alternatives, and our strategy and expected results and market acceptance for our Flink offering and timing for launch of that offering; (xxi) our expectations for market acceptance of stream processing; (xxii) our ability to meet near-term and mid-term financial targets; (xxiii) our potential for value creation; (xxiv) our ability to attract and retain highly qualified personnel, which could be negatively impacted by our recent restructuring; (xxv) breaches in our security measures or unauthorized access to our platform, our data, or our customers’ or other users’ personal data; (xvi) our reliance on third-party cloud-based infrastructure to host Confluent Cloud, and (xxvii) our overall future prospects. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “seek,” “plan,” “project,” “target,” “looking ahead,” “look to move into,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements represent our current beliefs, estimates and assumptions only as of the date of this press release and information contained in this press release should not be relied upon as representing our estimates as of any subsequent date. These forward-looking statements are subject to risks, uncertainties, and assumptions. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Risks include, but are not limited to: (i) our limited operating history, including in uncertain macroeconomic environments; (ii) our ability to sustain and manage our rapid growth, including following our recent restructuring; (iii) our ability to attract new customers and retain and sell additional features and services to our existing customers; (iv) inflationary conditions, economic uncertainty, recessionary risks, and exchange rate fluctuations, which have resulted and may continue to result in customer pullback in information technology spending, lengthening of sales cycles, reduced contract sizes, reduced consumption of Confluent Cloud or customer preference for open source alternatives, as well as the potential need for cost efficiency measures; (v) our ability to increase consumption of our offering, including by existing customers and through the acquisition of new customers, and successfully add new features and functionality to our offering; (vi) our ability to achieve profitability and improve margins annually, by our expected timelines or at all; (vii) our ability to operate our business and execute on our strategic initiatives following our recent restructuring; (viii) the estimated addressable market opportunity for our offering, including our Flink offering and stream processing; (ix) our ability to compete effectively in an increasingly competitive market, including achieving market acceptance over competitors and open source alternatives; (x) our ability to execute our go-to-market strategy and initiatives and increase market awareness and acceptance of the benefits of our offering, including the total cost of ownership benefits of Confluent Cloud, (xi) our ability to attract and retain highly qualified personnel, which could be negatively impacted by our recent restructuring; (xii) breaches in our security measures or unauthorized access to our platform, our data, or our customers’ or other users’ personal data; (xiii) our reliance on third-party cloud-based infrastructure to host Confluent Cloud, and (xiv) general market, political, economic, and business conditions, including continuing impacts from the COVID-19 pandemic. These risks are not exhaustive. Further information on these and other risks that could affect Confluent’s results is included in our filings with the Securities and Exchange Commission (“SEC”), including our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, and our future reports that we may file from time to time with the SEC. Additional information will be made available in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 that will be filed with the SEC, which should be read in conjunction with this presentation and the financial results included herein. Confluent assumes no obligation to, and does not currently intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

As a reminder, certain financial measures are expressed on our call today and in the presentation are expressed on a non-GAAP basis. We use these non-GAAP financial measures and other key metrics internally to facilitate analysis of our financial and business trends and for internal planning and forecasting purposes. We believe these non-GAAP financial measures, when taken collectively, may be helpful to investors because they provide consistency and comparability with past financial performance by excluding certain items that may not be indicative of our business, results of operations, or outlook. However, non-GAAP financial measures have limitations as an analytical tool and are presented for supplemental informational purposes only. They should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. A reconciliation between these GAAP and non-GAAP financial measures is included in the Appendix to this presentation.
Organizational Update

Steffan Tomlinson
Confluent's CFO

Rohan Sivaram
Confluent's Incoming CFO
Rohan joined Confluent in October 2020 and has built and led corporate finance, IR, treasury, and business operations.

As CFO, Rohan will lead all of Confluent's finance and business technology & data teams.

Previously:
- Palo Alto Networks
- Symantec
- Morgan Stanley
Thanks Steffan!
Thanks Steffan!

Wish you the very best

Rohan Sivaram
Confluent's Incoming CFO
Strong Second Quarter Results

Total Revenue
$189M
+36% YoY

Confluent Cloud Revenue
$84M
+78% YoY

Non-GAAP Operating Margin
+24 pts
YoY

Note: Financials are for the period ended June 30, 2023.
Refer to the slides in the section titled “GAAP to Non-GAAP Reconciliations” in the Appendix, for a reconciliation of our non-GAAP financial metrics to the most directly comparable GAAP financial measures.
KAFKA SUMMIT
LONDON 2023

1,500+ In-person Attendees
2,300+ Virtual Attendees
50+ Countries Represented
95 Speakers
KORA ENGINE
The Apache Kafka® Engine Built for the Cloud
Data Streaming Platform

- Data Pipelines
- Real-time Analytics
- Data Analytics
- Cyber-Security
- IoT & Telematics
- ML & AI
- Geofencing
- Streaming ETL
- Dynamic Pricing
- Shipment Tracking / Alerting
- Customer 360

DATA STREAMING APPLICATIONS

CONNECT
GOVERN
PROCESS
SHARE

KORA: THE APACHE KAFKA ENGINE, BUILT FOR THE CLOUD
Stream

DATA STREAMING APPLICATIONS

CONNECT
GOVERN
PROCESS
SHARE

KORA: THE APACHE KAFKA ENGINE, BUILT FOR THE CLOUD

DSP
Data Pipelines  Real-time Analytics  Data Analytics  Cyber-Security  IoT & Telematics  ML & AI  Geofencing  Streaming ETL  Dynamic Pricing  Shipments Tracking / Alerting  Customer 360 and more...  

DATA STREAMING APPLICATIONS

CONNECT

GOVERN

PROCESS

SHARE

KORA: THE APACHE KAFKA ENGINE, BUILT FOR THE CLOUD
Connectors

120+ Pre-Built Connectors

70+ Fully Managed Connectors
Stream Governance

Where did data come from?
Where is it going?
Where, when, and how was it transformed?
Who can access the data?
What is the current state of the stream?
Is it compliant with regulatory standards?
Process

DATA STREAMING APPLICATIONS

KORA: THE APACHE KAFKA ENGINE, BUILT FOR THE CLOUD
Flink

The Emerging De Facto Standard for Stream Processing
Share

DATA STREAMING APPLICATIONS

CONNECT

GOVERN

PROCESS

SHARE

STREAM

KORA: THE APACHE KAFKA ENGINE, BUILT FOR THE CLOUD

Data Pipelines  Real-time Analytics  Data Analytics  Cyber-Security  IoT & Telematics  ML & AI  Geofencing  Streaming ETL  Dynamic Pricing  Shipment Tracking / Alerting  Customer 360  and more...

DSP
We Bring Real-time to Secure Data Sharing Between Organizations and Extend the Network Effect
Virtuous Cycle of Data Streaming Platforms

- Connect
- Stream
- Share
- Process
- Govern
Complete Data Streaming Platform

Data Pipelines  Real-time Analytics  Data Analytics  Cyber-Security  IoT & Telematics  ML & AI
Geofencing  Streaming ETL  Dynamic Pricing  Shipment Tracking / Alerting  Customer 360 and more...

DATA STREAMING APPLICATIONS

CONNECT  GOVERN  PROCESS  SHARE

KORA: THE APACHE KAFKA ENGINE, BUILT FOR THE CLOUD
Customer Highlight

Recursion Pharmaceuticals
Steffan Tomlinson
Chief Financial Officer
Remaining Performance Obligations (RPO)

RPO

$791.4M
+34% YoY

Current RPO

~$514.8M
+41% YoY

Note: Metrics are as of period ended June 30, 2023. See Appendix for the definition of "Current RPO".
Customers

Total Customers

~4,830
+17% YoY
+140 QoQ

Customers with ≥ $100K in ARR

1,144
+33% YoY
+69 QoQ

Customers with ≥ $1M in ARR

147
+48% YoY
+12 QoQ

Note: Metrics are as of period ended June 30, 2023.
See Appendix for the definitions for “Total Customers”, “Customers with $100,000 or greater in ARR” and “Customers with $1,000,000 or greater in ARR.”
Dollar-Based Net Retention Rate (NRR)

- Total NRR: >130%
- Gross Retention: >90%
- Cloud NRR: >140%

Note: Metrics are as of period ended June 30, 2023. See Appendix for the definitions for "Dollar-Based Net Retention Rate," "Gross Retention Rate," and "Cloud NRR."
Revenue

Total Revenue
$189.3M
+36% YoY

Subscription Revenue
$176.5M
+39% YoY
93% of Total Revenue

Note: Financials are for the quarter ended June 30, 2023.
Revenue by Product

Confluent Platform
Revenue
$92.9M
+16% YoY
49% of Total Revenue

Confluent Cloud
Revenue
$83.6M
+78% YoY
44% of Total Revenue
+$9.9M Q/Q

Confluent Cloud %
New ACV Bookings
>50%
Greater Than 50% for the 7th Consecutive Quarter

Note: Financials are for the quarter ended June 30, 2023.
Revenue by Geography

Revenue From the U.S.

$113.9M
+30% YoY
60% of Total Revenue

Revenue From Outside the U.S.

$75.4M
+45% YoY
40% of Total Revenue

Note: Financials are for the quarter ended June 30, 2023.
Non-GAAP Gross Margins

- **Total Gross Margin**: 75.0% (+440 bps YoY)
- **Subscription Gross Margin**: 79.1% (+230 bps YoY)

Note: Financials are for the quarter ended June 30, 2023. Refer to the slides in the section titled “GAAP to Non-GAAP Reconciliations” in the Appendix, for a reconciliation of our non-GAAP financial metrics to the most directly comparable GAAP financial measures.
## Other Financial Summary

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q2’23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-GAAP Operating Margin</td>
<td>(9.2%), +24 pts YoY</td>
</tr>
<tr>
<td>Non-GAAP Net Income Per Share</td>
<td>$0.00, +$0.16 YoY</td>
</tr>
<tr>
<td>Free Cash Flow Margin</td>
<td>(18.6%), +8 pts YoY</td>
</tr>
<tr>
<td>Cash, Cash Equivalents, and Marketable Securities</td>
<td>$1.85B</td>
</tr>
<tr>
<td>Weighted-Average Shares Outstanding</td>
<td>297.8M Basic, 339.3M Diluted</td>
</tr>
<tr>
<td>Fully Diluted Shares Outstanding</td>
<td>353.6M</td>
</tr>
</tbody>
</table>

Note: Financials are as of or for the quarter ended June 30, 2023. Refer to the slides in the section titled “GAAP to Non-GAAP Reconciliations” in the Appendix, for a reconciliation of our non-GAAP financial metrics to the most directly comparable GAAP financial measures. See Appendix for the definition of “Fully Diluted Shares Outstanding.”
1H Learnings & 2H Outlook

Beginning of the Year

Tough selling environment:
- Additional budget scrutiny and changes in customer buying behavior, leading to sales cycle elongation

1H'23 Learnings

Customers are more inclined to:
- Sign shorter duration contracts
- Start with smaller initial deal sizes
- Consume more than commit

Macro uncertainty to persist in 2H

Subscription Revenue

Confluent Platform (CP):
- Remains resilient
- Expected to outperform in 2H vs. expectations beginning the year

Confluent Cloud (CC):
- High NRR, product market fit, strong TCO and ROI
- Expected to grow substantially faster than total revenue in 2H
## Guidance

<table>
<thead>
<tr>
<th></th>
<th>Q3’23</th>
<th>FY’23</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$193.5M-$195.5M</td>
<td>$767M-$772M</td>
</tr>
<tr>
<td></td>
<td>28%-29% YoY</td>
<td>31%-32% YoY</td>
</tr>
<tr>
<td><strong>Cloud Revenue</strong></td>
<td>~$92.2M</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>62% YoY</td>
<td></td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Margin</strong></td>
<td>~ (10%)</td>
<td>~ (10%)</td>
</tr>
<tr>
<td><strong>Non-GAAP Net Income (Loss) Per Share</strong></td>
<td>$(0.01)-$0.00</td>
<td>$(0.05)-$(0.02)</td>
</tr>
<tr>
<td><strong>Weighted-Average Shares Outstanding</strong></td>
<td>304M Basic</td>
<td>300M Basic</td>
</tr>
<tr>
<td></td>
<td>350M Diluted</td>
<td></td>
</tr>
</tbody>
</table>

### Other

- **Q3’23 cloud revenue:** Accounts for ~47% of total revenue at the midpoint and represents sequential add of approximately $8.5M
- **Q4’23 cloud as a % of total revenue:** 48%-50%, likely at the lower end due to factors discussed in prepared remarks and strength in Confluent Platform impacting product mix shift
- **Q4’23 non-GAAP operating margin:** Breakeven
- **FCFM breakeven timing:** To roughly mirror that of non-GAAP operating margin
- **FY’23 non-GAAP gross margin:** ~74%
Thank You
Appendix
Definitions

**Current Remaining Performance Obligations (Current RPO):**
Represents the estimated amount of contracted future revenue expected to be recognized as revenue over the next 12 months.

**Annual Recurring Revenue (ARR):**
We define ARR as (1) with respect to Confluent Platform customers, the amount of revenue to which our customers are contractually committed over the following 12 months assuming no increases or reductions in their subscriptions, and (2) with respect to Confluent Cloud customers, the amount of revenue that we expect to recognize from such customers over the following 12 months, calculated by annualizing actual consumption of Confluent Cloud in the last three months of the applicable period, assuming no increases or reductions in usage rate. Services arrangements are excluded from the calculation of ARR. Prior to the first quarter of 2023, ARR with respect to Confluent Cloud customers excluded pay-as-you-go arrangements and was based on contractual commitments over the following 12 months, regardless of actual consumption. We adjusted our methodology for calculating ARR commencing with the first quarter of 2023 to incorporate actual consumption of Confluent Cloud and applied this change retroactively.

**Dollar-Based Net Retention Rate:**
We calculate our dollar-based net retention rate (NRR) as of a period end by starting with the ARR from the cohort of all customers as of 12 months prior to such period end ("Prior Period Value"). We then calculate the ARR from these same customers as of the current period end ("Current Period Value"), and divide the Current Period Value by the Prior Period Value to arrive at our dollar-based NRR. The dollar-based NRR includes the effect, on a dollar-weighted value basis, of our Confluent Platform subscriptions that expand, renew, contract, or attrit. The dollar-based NRR also includes the effect of annualizing actual consumption of Confluent Cloud in the last three months of the applicable period, but excludes ARR from new customers in the current period. Our dollar-based NRR is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity.

**Dollar-Based Gross Retention Rate:**
We calculate our dollar-based gross retention rate as of a period end by starting with the ARR from the cohort of all customers as of 12 months prior to such period end ("Prior Period Value"). We then calculate the ARR from these same customers, which includes contract contraction and attrition but excludes contract expansion, as of the current period end ("Current Period Value"). We divide the Current Period Value by the Prior Period Value to arrive at a dollar-based gross retention rate.

**Cloud NRR:**
We calculate our dollar-based NRR for Confluent Cloud using the same methodology as total dollar-based NRR, with the exception that only the ARR from Confluent Cloud consumption is included in the calculation.

**Total Customers:**
Represents the total number of customers at the end of each period. For purposes of determining our customer count, we treat all affiliated entities with the same parent organization as a single customer and include pay-as-you-go customers. Our customer count is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity.

**Customers with $100,000 or greater in ARR:**
Represents the number of customers that contributed $100,000 or more in ARR as of period end.

**Customers with $1,000,000 or greater in ARR:**
Represents the number of customers that contributed $1,000,000 or more in ARR as of period end.

**Fully Diluted Shares Outstanding:**
Represents the total number of common shares outstanding adjusted for the impact of stock options, restricted stock units, and options to purchase shares under the employee stock purchase plan determined under the treasury stock method, and excludes shares issuable upon conversion of outstanding convertible senior notes.
## GAAP to Non-GAAP Reconciliations
(in thousands, except percentages)

<table>
<thead>
<tr>
<th></th>
<th>Q2’22</th>
<th>Q2’23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>$139,407</td>
<td>$189,285</td>
</tr>
<tr>
<td>Total gross profit on a GAAP basis</td>
<td>$89,898</td>
<td>$131,365</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense</td>
<td>8,346</td>
<td>10,039</td>
</tr>
<tr>
<td>Add: Employer taxes on employee stock transactions</td>
<td>150</td>
<td>393</td>
</tr>
<tr>
<td>Add: Amortization of acquired intangibles</td>
<td>-</td>
<td>127</td>
</tr>
<tr>
<td>Non-GAAP total gross profit</td>
<td>$98,394</td>
<td>$141,924</td>
</tr>
<tr>
<td>Non-GAAP total gross margin</td>
<td>70.6%</td>
<td>75.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Q2’22</th>
<th>Q2’23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription revenue</td>
<td>$127,018</td>
<td>$176,488</td>
</tr>
<tr>
<td>Subscription gross profit on a GAAP basis</td>
<td>$91,410</td>
<td>$132,300</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense</td>
<td>6,018</td>
<td>6,914</td>
</tr>
<tr>
<td>Add: Employer taxes on employee stock transactions</td>
<td>70</td>
<td>265</td>
</tr>
<tr>
<td>Add: Amortization of acquired intangibles</td>
<td>-</td>
<td>127</td>
</tr>
<tr>
<td>Non-GAAP subscription gross profit</td>
<td>$97,498</td>
<td>$139,606</td>
</tr>
<tr>
<td>Non-GAAP subscription gross margin</td>
<td>76.8%</td>
<td>79.1%</td>
</tr>
</tbody>
</table>
GAAP to Non-GAAP Reconciliations  
(in thousands, except percentages)

<table>
<thead>
<tr>
<th></th>
<th>Q2'22</th>
<th>Q2'23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>$139,407</td>
<td>$189,285</td>
</tr>
<tr>
<td>Operating loss on a GAAP basis</td>
<td>$(117,307)</td>
<td>$(119,368)</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense</td>
<td>68,866</td>
<td>92,159</td>
</tr>
<tr>
<td>Add: Employer taxes on employee stock transactions</td>
<td>1,670</td>
<td>3,599</td>
</tr>
<tr>
<td>Add: Amortization of acquired intangibles</td>
<td>-</td>
<td>127</td>
</tr>
<tr>
<td>Add: Acquisition-related expenses</td>
<td>-</td>
<td>5,198</td>
</tr>
<tr>
<td>Add: Restructuring and other related charges</td>
<td>-</td>
<td>943</td>
</tr>
<tr>
<td>Non-GAAP operating loss</td>
<td>$(46,771)</td>
<td>$(17,342)</td>
</tr>
<tr>
<td>Non-GAAP operating margin</td>
<td>(33.5%)</td>
<td>(9.2%)</td>
</tr>
</tbody>
</table>
**GAAP to Non-GAAP Reconciliations**
(in thousands, except percentages, share and per share data)

<table>
<thead>
<tr>
<th></th>
<th>Q2’22</th>
<th>Q2’23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net loss on a GAAP basis</td>
<td>$(117,631)</td>
<td>$(103,425)</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense</td>
<td>68,866</td>
<td>92,159</td>
</tr>
<tr>
<td>Add: Employer taxes on employee stock transactions</td>
<td>1,670</td>
<td>3,599</td>
</tr>
<tr>
<td>Add: Amortization of acquired intangibles</td>
<td>-</td>
<td>127</td>
</tr>
<tr>
<td>Add: Acquisition-related expenses</td>
<td>-</td>
<td>5,198</td>
</tr>
<tr>
<td>Add: Restructuring and other related charges</td>
<td>-</td>
<td>943</td>
</tr>
<tr>
<td>Add: Amortization of debt issuance costs</td>
<td>946</td>
<td>950</td>
</tr>
<tr>
<td>Add: Income tax effects and adjustments</td>
<td>669</td>
<td>507</td>
</tr>
<tr>
<td>Non-GAAP net (loss) income</td>
<td>$(45,480)</td>
<td>$58</td>
</tr>
<tr>
<td>Non-GAAP net (loss) income per share, basic</td>
<td>$(0.16)</td>
<td>$0.00</td>
</tr>
<tr>
<td>Non-GAAP net (loss) income per share, diluted</td>
<td>$(0.16)</td>
<td>$0.00</td>
</tr>
<tr>
<td>Weighted-average shares used to compute net (loss) income per share, basic</td>
<td>278,268,980</td>
<td>297,827,200</td>
</tr>
<tr>
<td>Weighted-average shares used to compute net (loss) income per share, diluted</td>
<td>278,268,980</td>
<td>339,296,142</td>
</tr>
<tr>
<td></td>
<td>Q2'22</td>
<td>Q2'23</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>$139,407</td>
<td>$189,285</td>
</tr>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td>$(33,472)</td>
<td>$(29,060)</td>
</tr>
<tr>
<td>Add: Capitalized internal-use software costs</td>
<td>(2,256)</td>
<td>(5,330)</td>
</tr>
<tr>
<td>Add: Capital expenditures</td>
<td>(1,184)</td>
<td>(809)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>$(36,912)</td>
<td>$(35,199)</td>
</tr>
<tr>
<td><strong>Free cash flow margin</strong></td>
<td>(26.5%)</td>
<td>(18.6%)</td>
</tr>
</tbody>
</table>