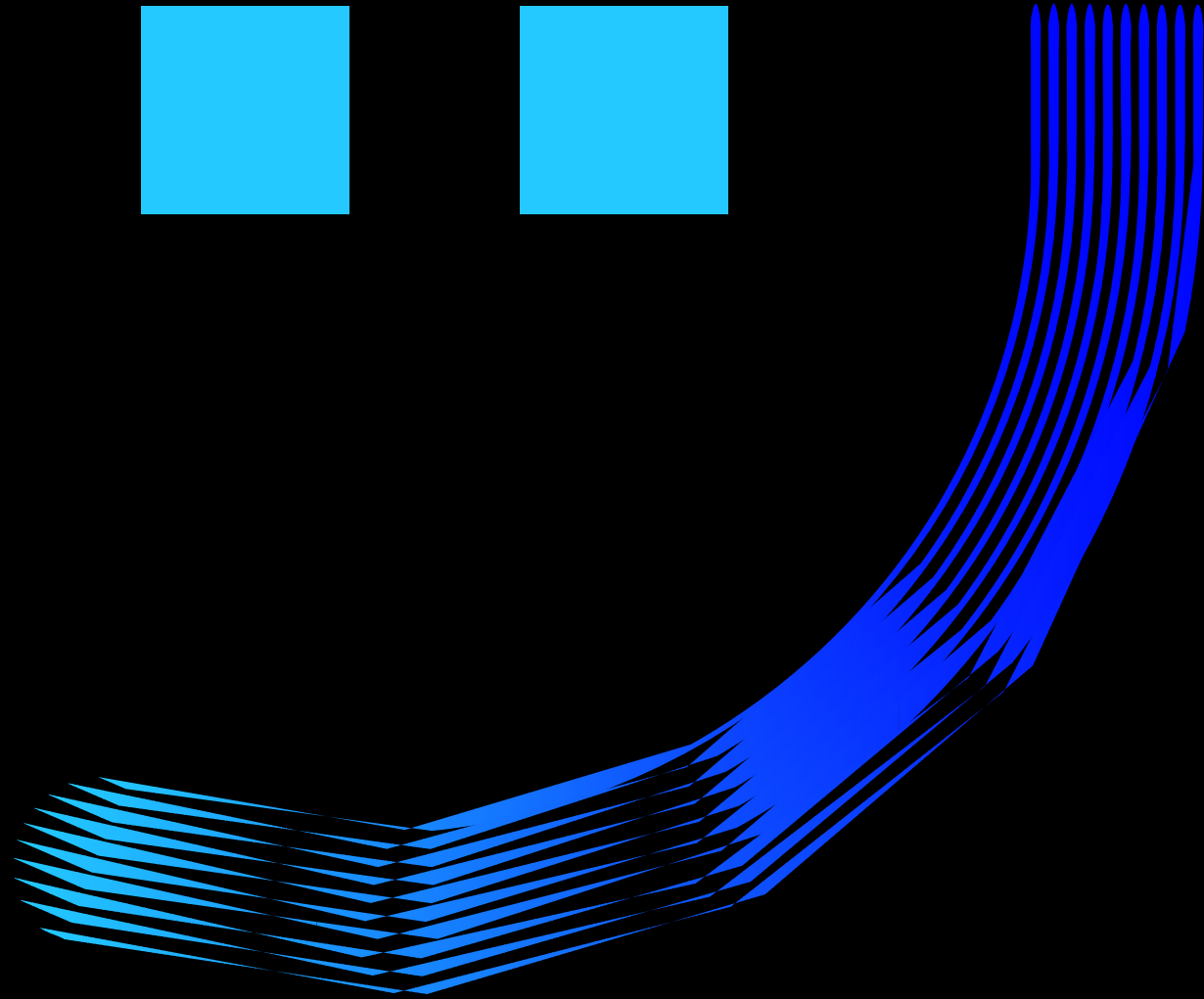




Q1 2025 Earnings Presentation

(NASDAQ: NICE)



Disclaimer

Forward Looking Statements Disclaimer

This presentation contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. In some cases, forward-looking statements may be identified by words such as “believe”, “expect”, “seek”, “may”, “will”, “intend”, “should”, “project”, “anticipate”, “plan”, and similar expressions. Forward-looking statements are based on the current beliefs, expectations and assumptions of the Company’s management regarding the future of the Company’s business, performance, future plans and strategies, projections, anticipated events and trends, the economic environment, and other future conditions. Examples of forward-looking statements include guidance regarding the Company’s revenue and earnings and the growth of our cloud, analytics and artificial intelligence business.

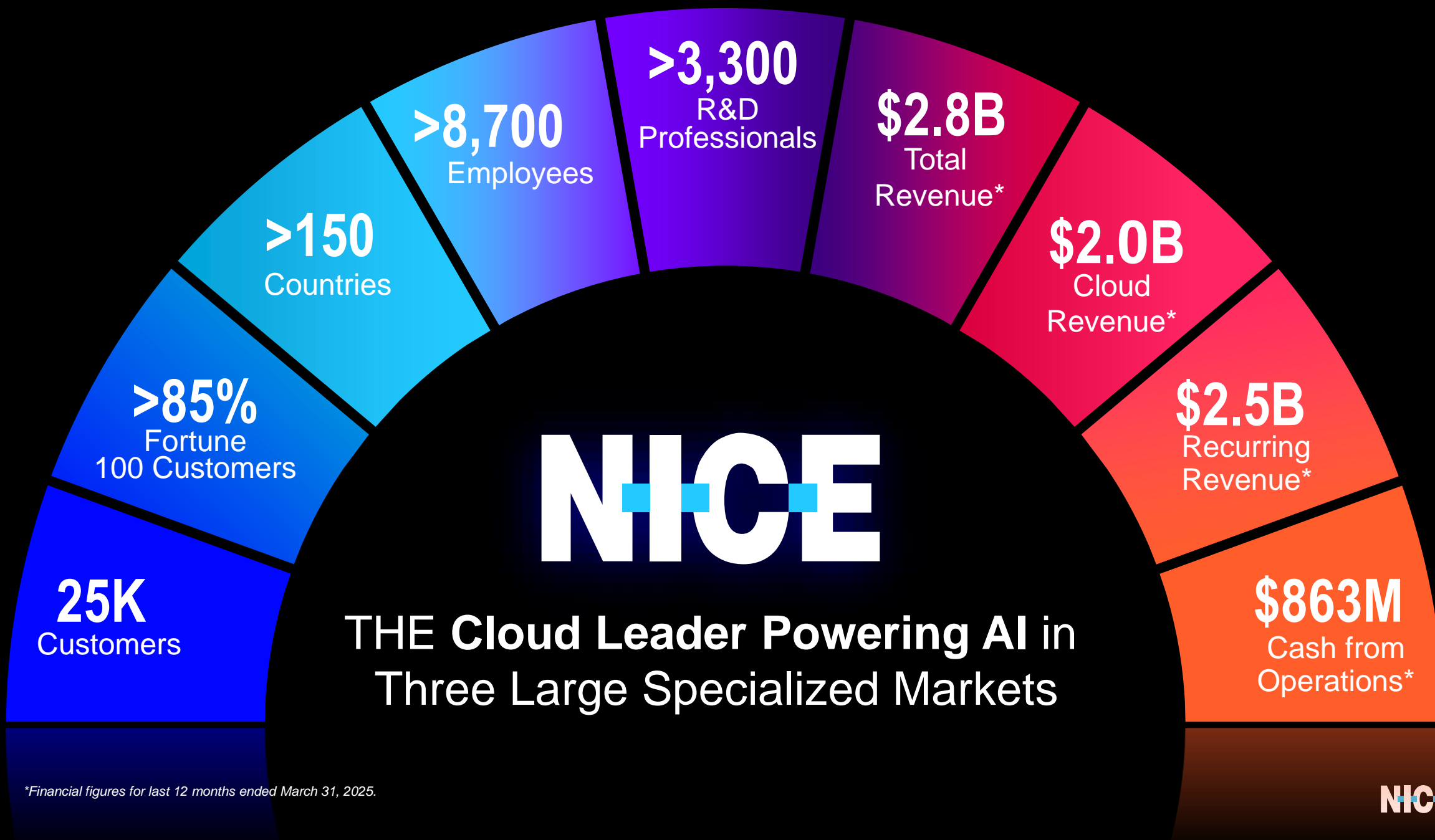
Forward looking statements are inherently subject to significant uncertainties, contingencies, and risks, including, economic, competitive and other factors, which are difficult to predict and many of which are beyond the control of management. The Company cautions that these statements are not guarantees of future performance, and investors should not place undue reliance on them. There are or will be important known and unknown factors and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. These factors, include, but are not limited to, risks associated with changes in economic and business conditions, competition, successful execution of the Company’s growth strategy, success and growth of the Company’s cloud Software-as-a-Service business, difficulties in making additional acquisitions or effectively integrating acquired operations, products, technologies and personnel, the Company’s dependency on third-party cloud computing platform providers, hosting facilities and service partners, rapid changes in technology and market requirements, the implementation of AI capabilities in certain products and services; decline in demand for the Company’s products; inability to timely develop and introduce new technologies, products and applications, loss of market share, cyber security attacks or other security incidents, privacy concerns and legislation impacting the Company’s business, changes in currency exchange rates and interest rates, the effects of additional tax liabilities resulting from our global operations, the effect of unexpected events or geo-political conditions, including those arising from political instability or armed conflict that may disrupt our business and the global economy, our ability to recruit and retain qualified personnel, the effect of newly enacted or modified laws, regulation or standards on the Company and our products, and various other factors and uncertainties discussed in our filings with the U.S. Securities and Exchange Commission (the “SEC”).

You are encouraged to carefully review the section entitled “Risk Factors” in our latest Annual Report on Form 20-F and our other filings with the SEC for additional information regarding these and other factors and uncertainties that could affect our future performance. The forward-looking statements contained in this press release speak only as of the date hereof, and the Company undertakes no obligation to update or revise them, whether as a result of new information, future developments or otherwise, except as required by law.

Explanation of Non-GAAP measures

Non-GAAP financial measures are included in this presentation. Non-GAAP financial measures consist of GAAP financial measures adjusted to exclude share-based compensation, amortization of acquired intangible assets, acquisition related and other related expenses, amortization of discount on debt and the tax effect of the Non-GAAP adjustments.

The Company believes that these Non-GAAP financial measures, used in conjunction with the corresponding GAAP measures, provide investors with useful supplemental information about the financial performance of our business. We believe Non-GAAP financial measures are useful to investors as a measure of the ongoing performance of our business. Our management regularly uses our supplemental Non-GAAP financial measures internally to understand, manage and evaluate our business and to make financial, strategic and operating decisions. These Non-GAAP measures are among the primary factors management uses in planning for and forecasting future periods. Our Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. These Non-GAAP financial measures may differ materially from the Non-GAAP financial measures used by other companies. Reconciliation between results on a GAAP and Non-GAAP basis is provided in a table in the earnings press release and in the appendix in this presentation. The Company provides guidance only on a Non-GAAP basis. A reconciliation of guidance from a GAAP to Non-GAAP basis is not available due to the unpredictability and uncertainty associated with future events that would be reported in GAAP results and would require adjustments between GAAP and Non-GAAP financial measures, including the impact of future possible business acquisitions. Accordingly, a reconciliation of the guidance based on Non-GAAP financial measures to corresponding GAAP financial measures for future periods is not available without unreasonable effort.



*Financial figures for last 12 months ended March 31, 2025.

This is
NICE

**CUSTOMER
EXPERIENCE**



CREATING
Extraordinary
Customer
Experiences

**FINANCIAL CRIME
& COMPLIANCE**



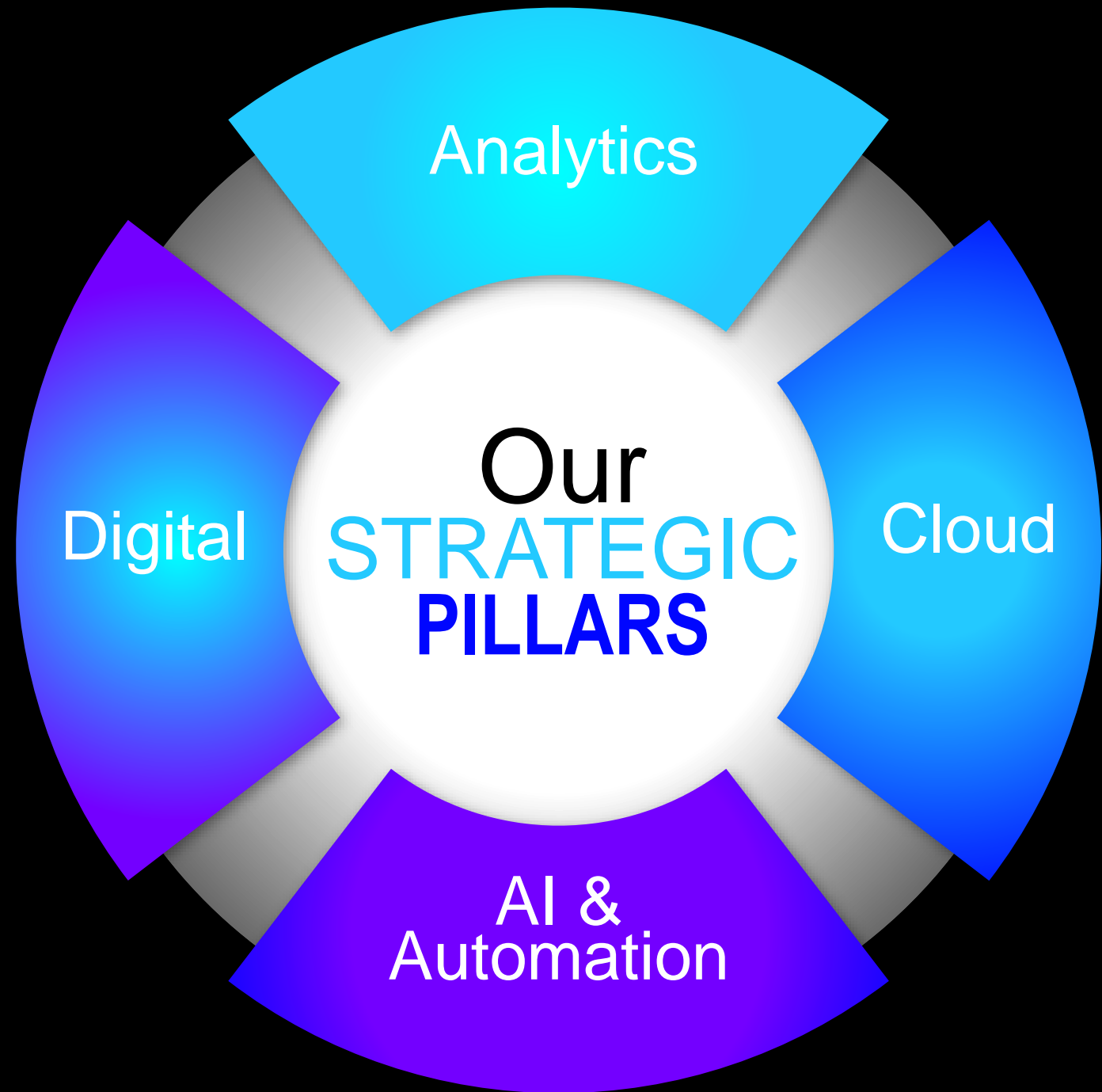
OUTSMARTING
Financial Crime
with Intelligent
Solutions

**PUBLIC SAFETY
& JUSTICE**



DRIVING
Digital Policing
Transformation

Transforming
EXPERIENCES to be
EXTRAORDINARY
and TRUSTED



FINANCIAL OVERVIEW

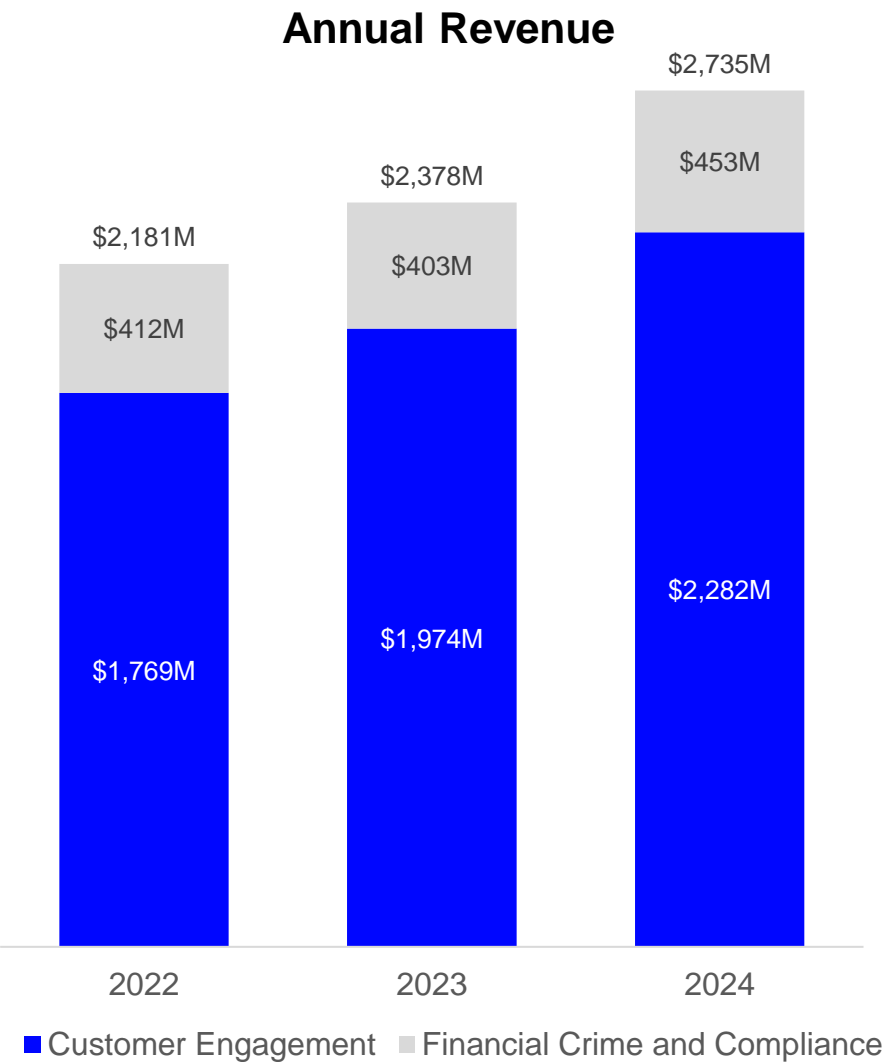
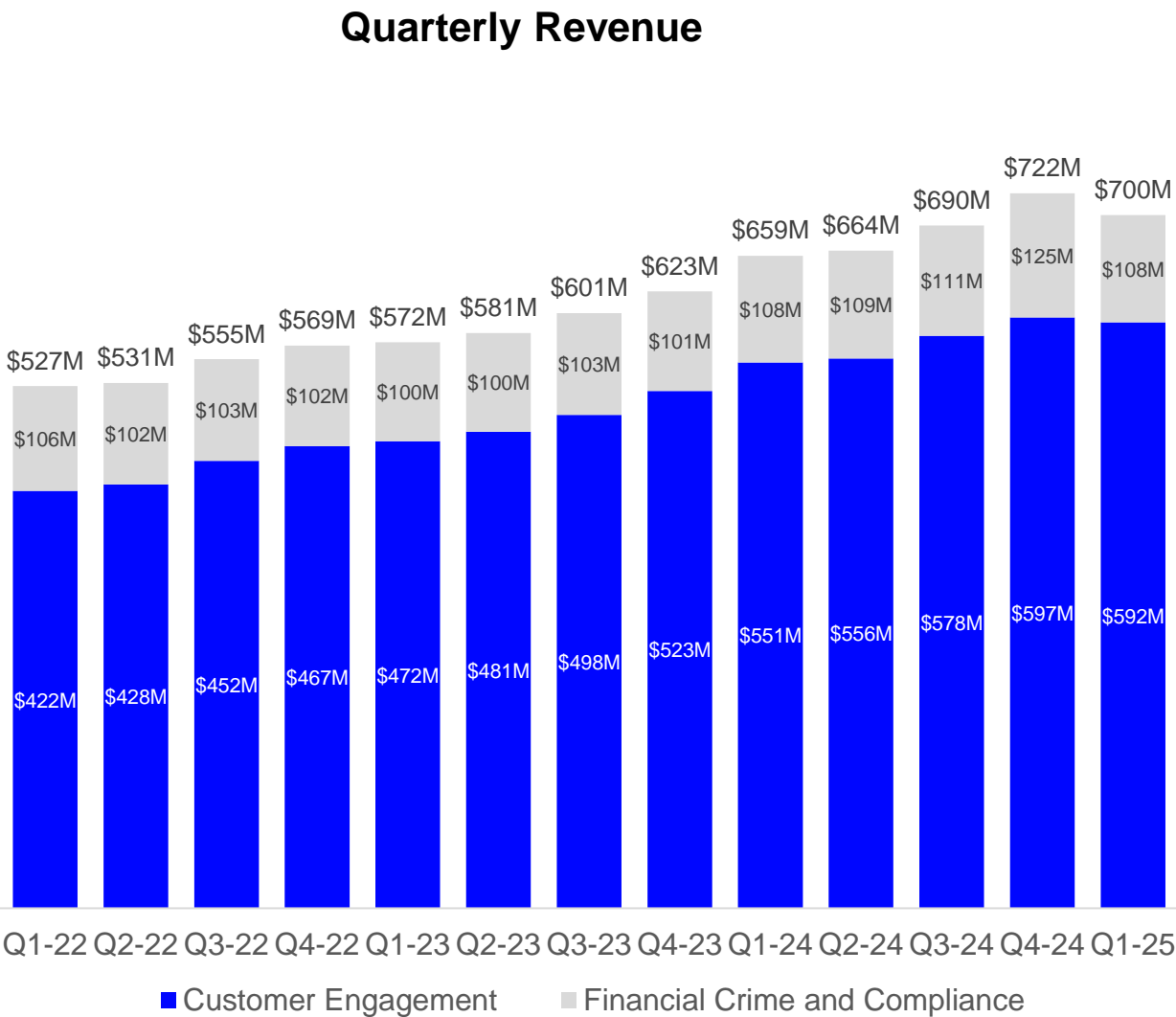
Quarterly Results



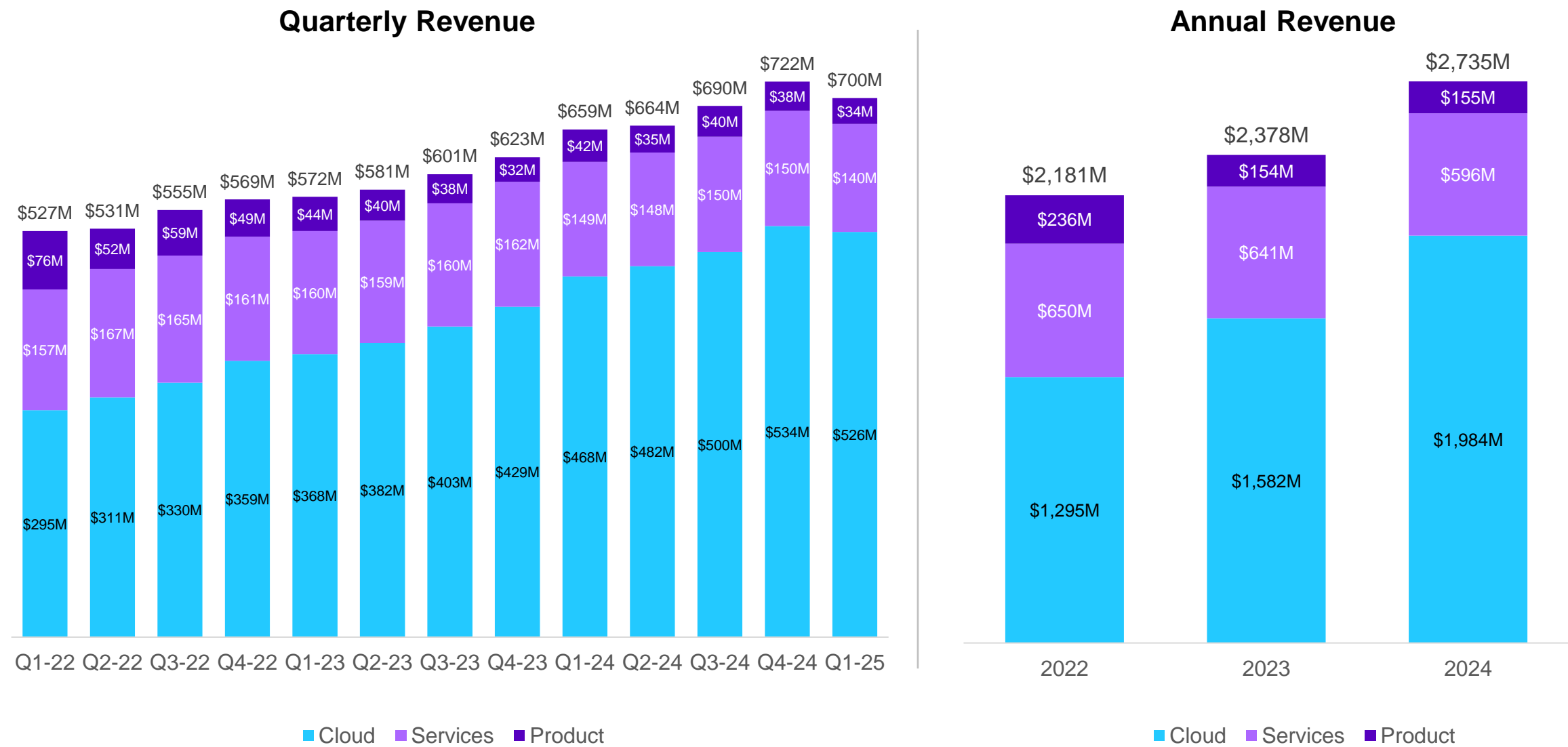
Q1-25 Financial Highlights

Q1 2025 Results	Quarterly Results	Increase Y/Y
Total Revenue	\$700M	6%
Cloud Revenue	\$526M	12%
Non-GAAP Operating Income	\$214M	7%
Non-GAAP Operating Margin	30.5%	20 bps
Non-GAAP EPS	\$2.87	11%
Cash from Operations	\$285M	12%

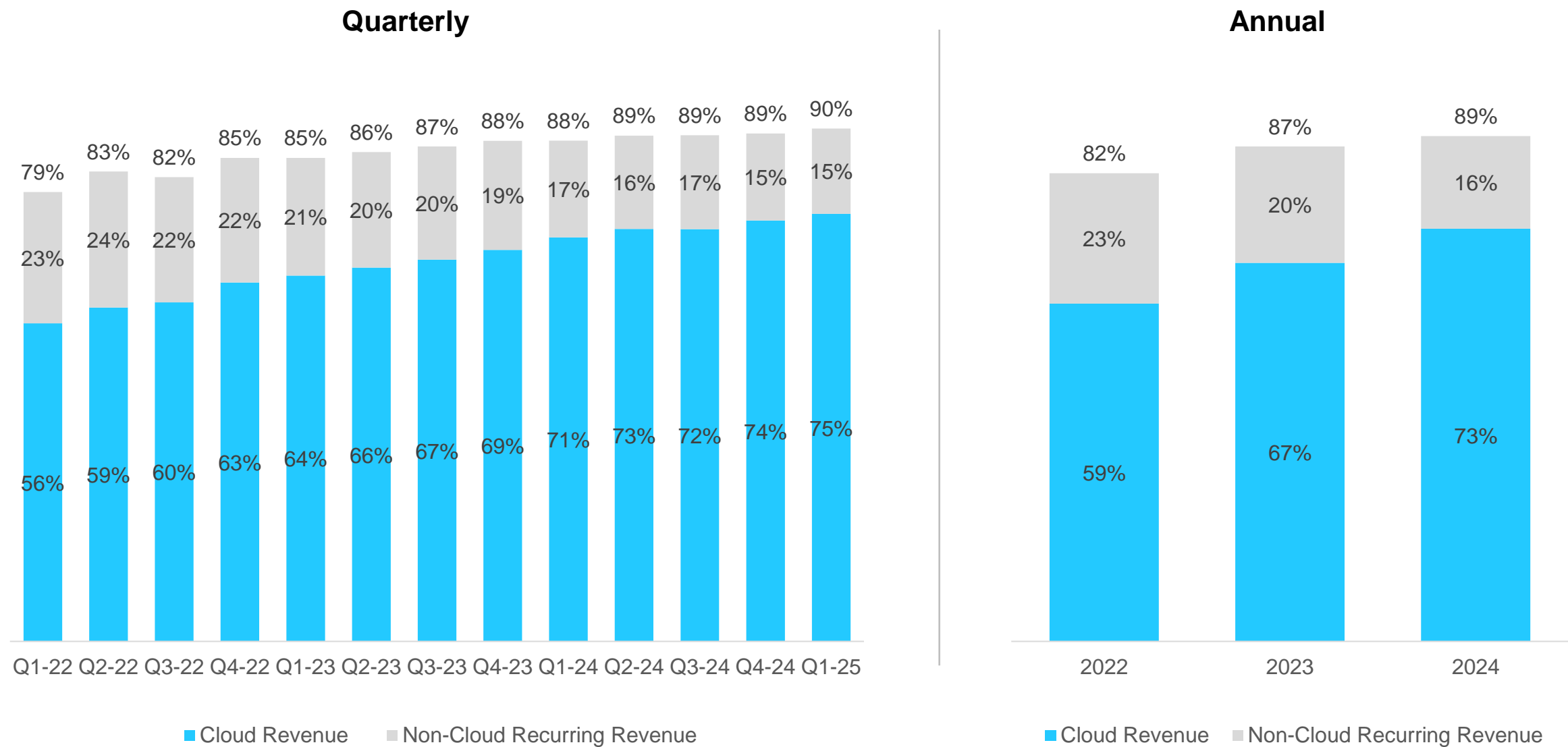
Revenue Breakdown by Business Segment



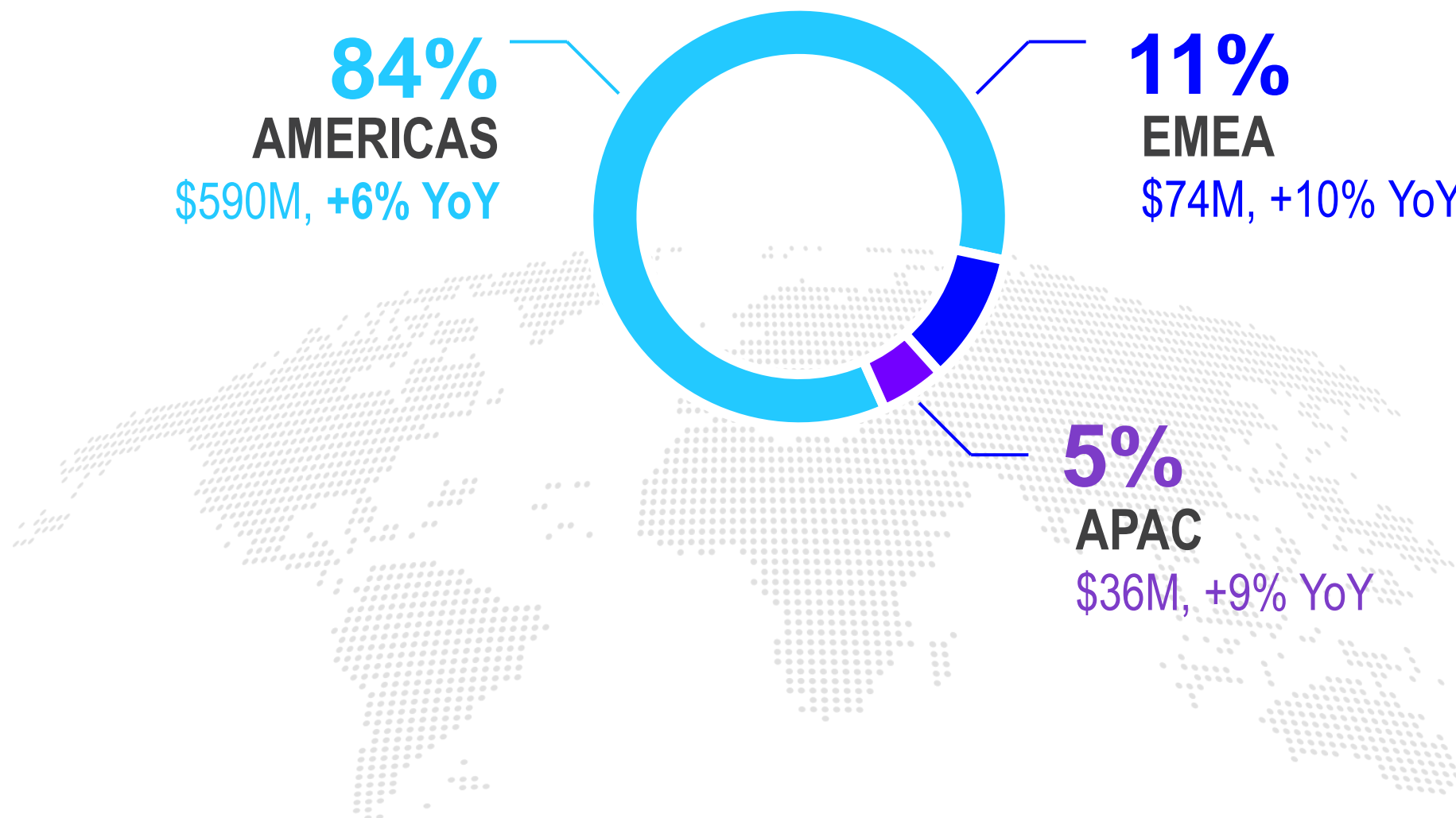
Revenue Breakdown by Business Model



Recurring Revenue as a Percent of Total Revenue

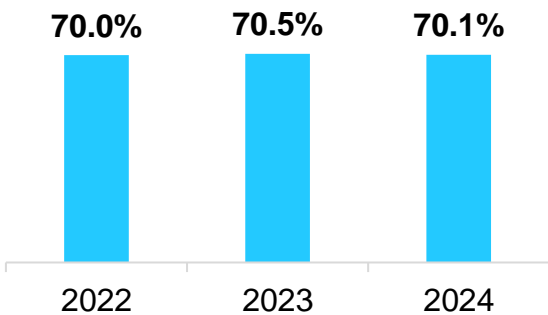
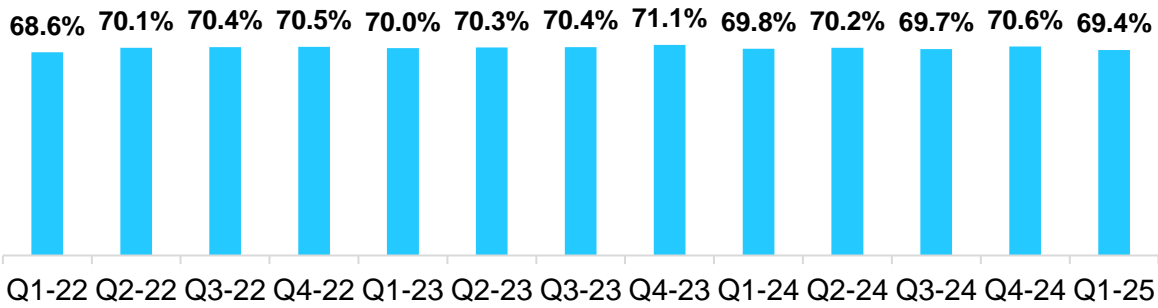


Revenue Breakdown by Geographic Region – Q1 2025

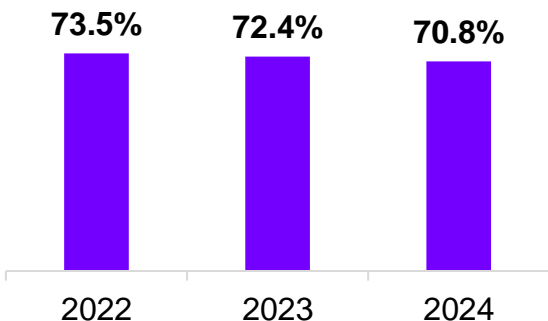
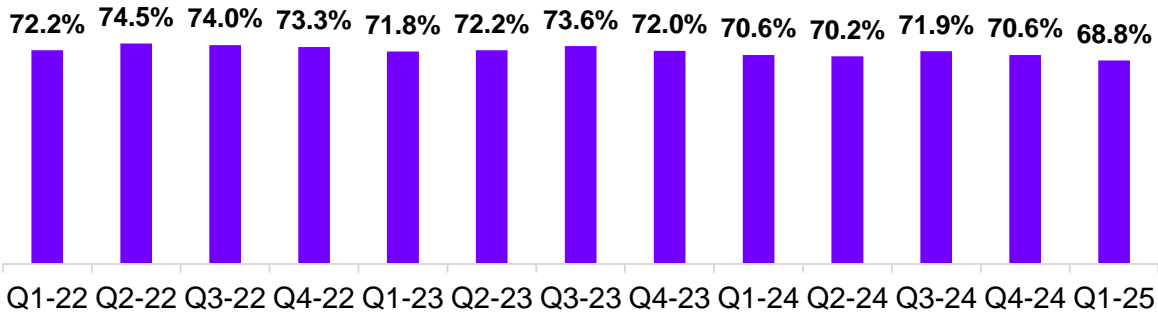


Healthy Gross Margins (Non-GAAP)

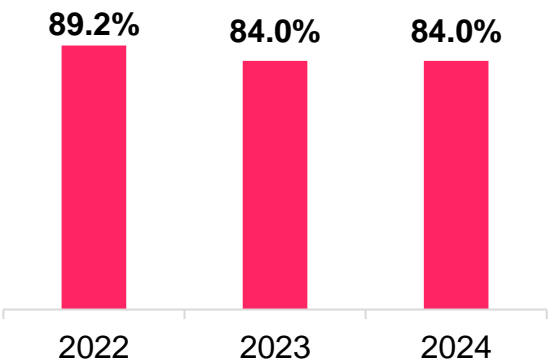
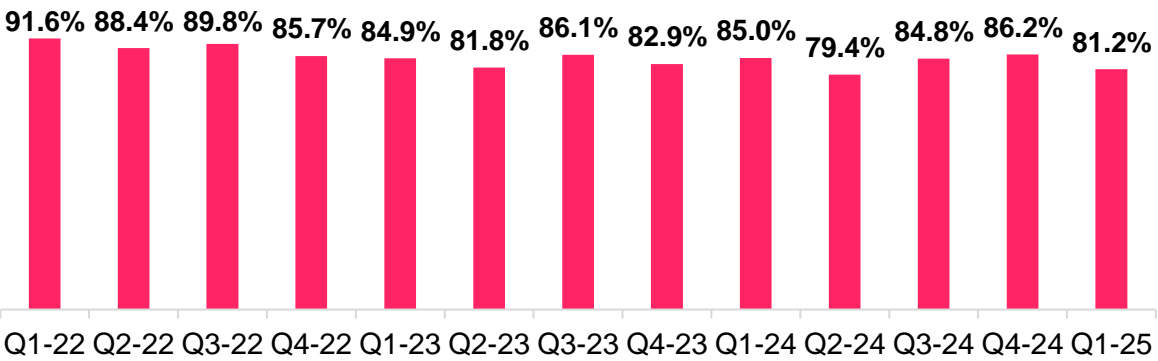
Cloud GM



Services GM

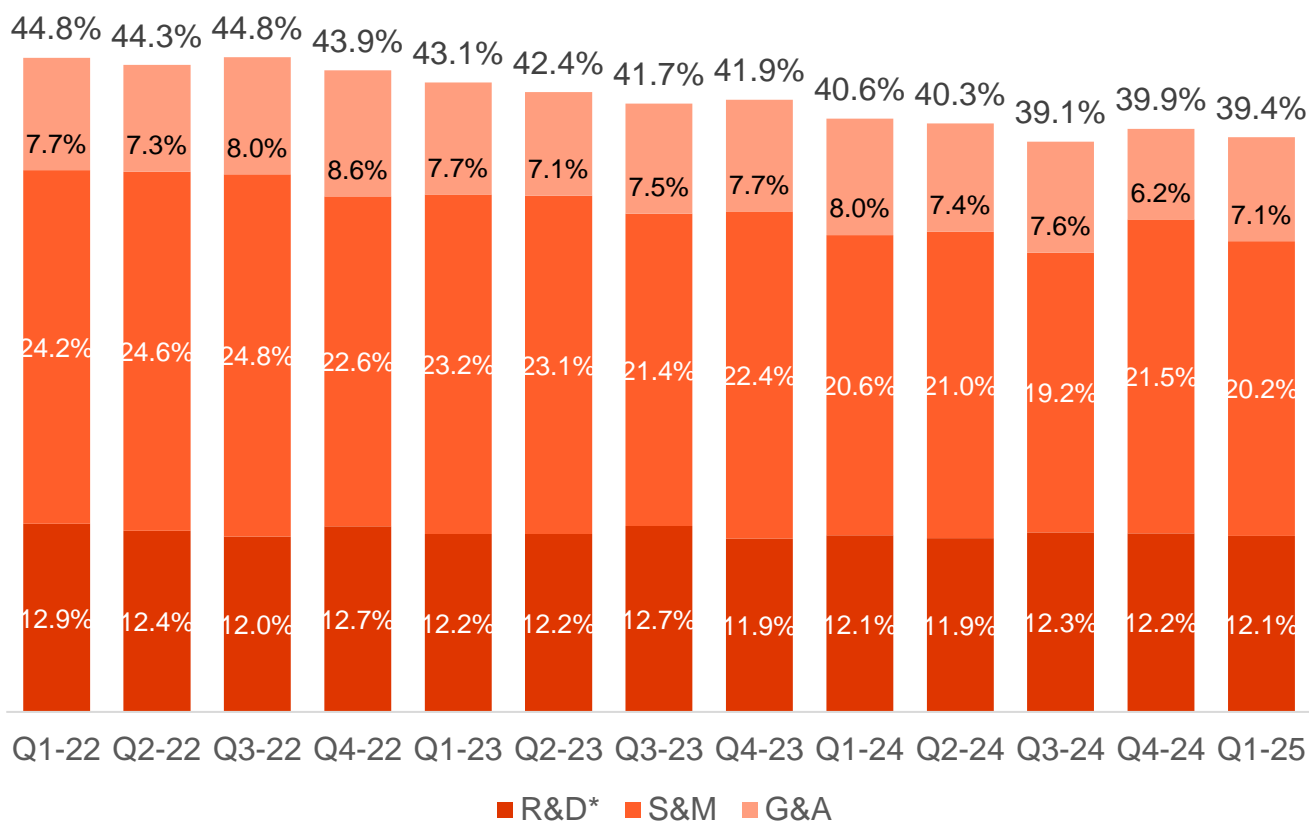


Product GM

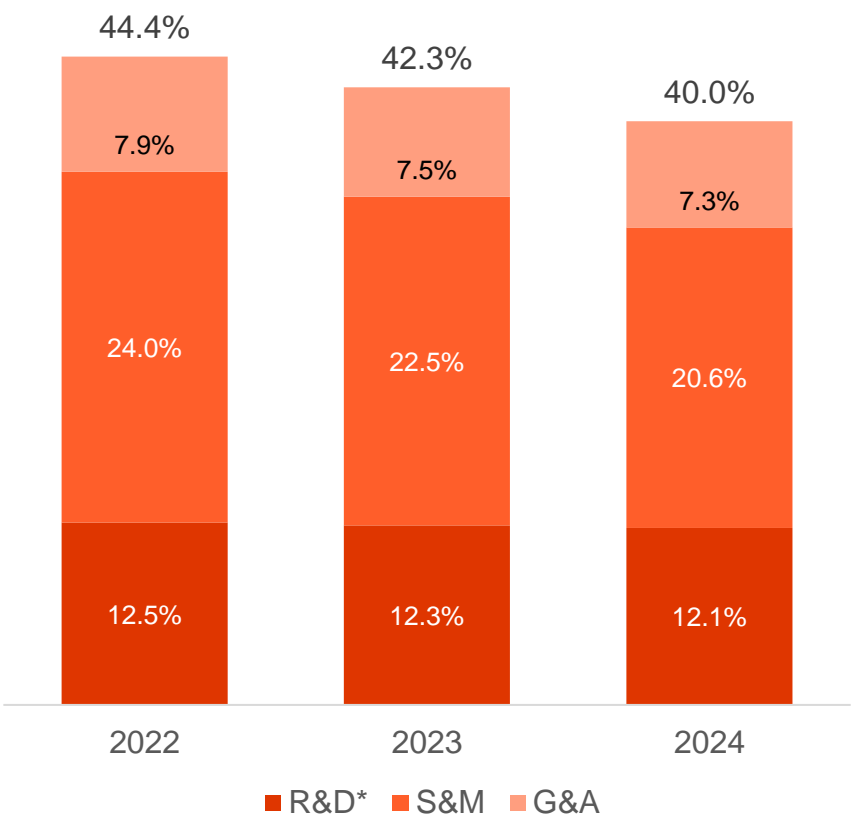


Non-GAAP Operating Expenses as a Percent of Total Revenue

Quarterly



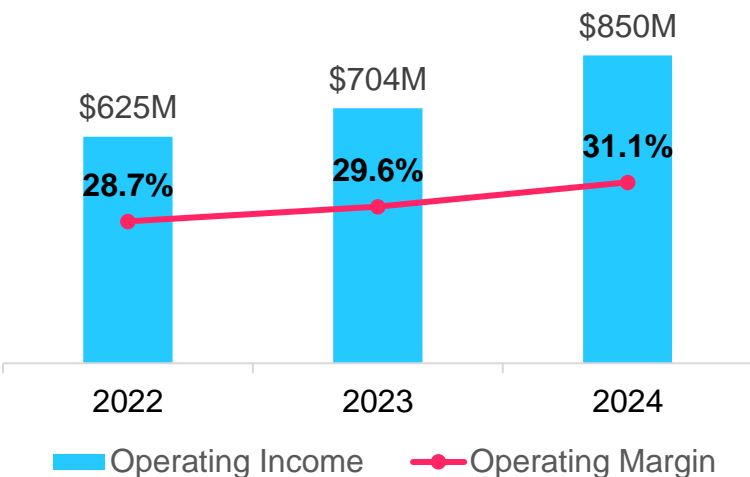
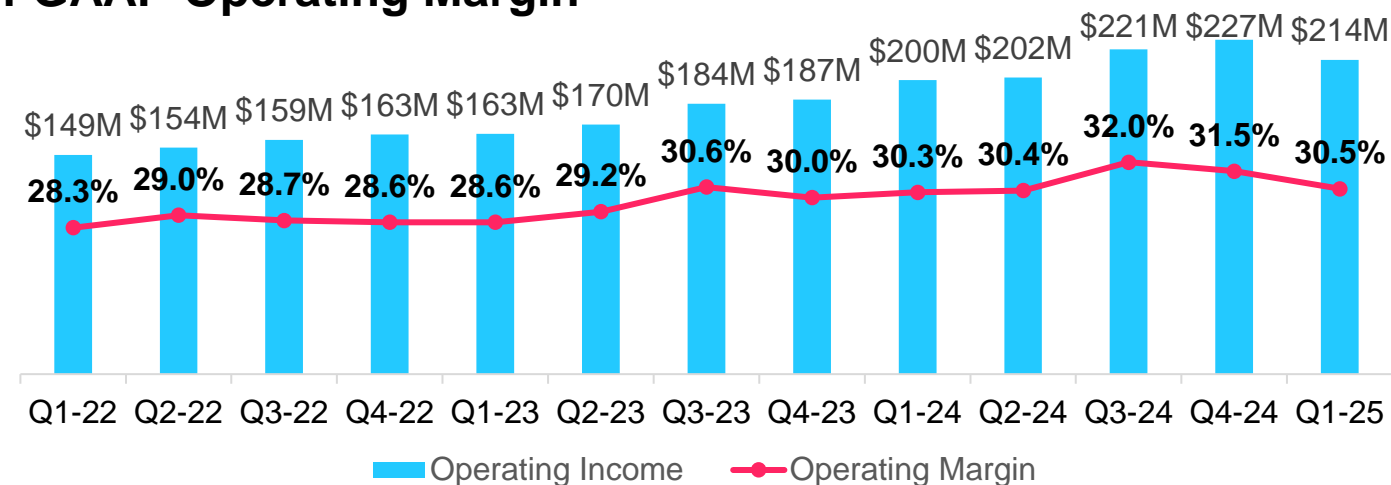
Annual



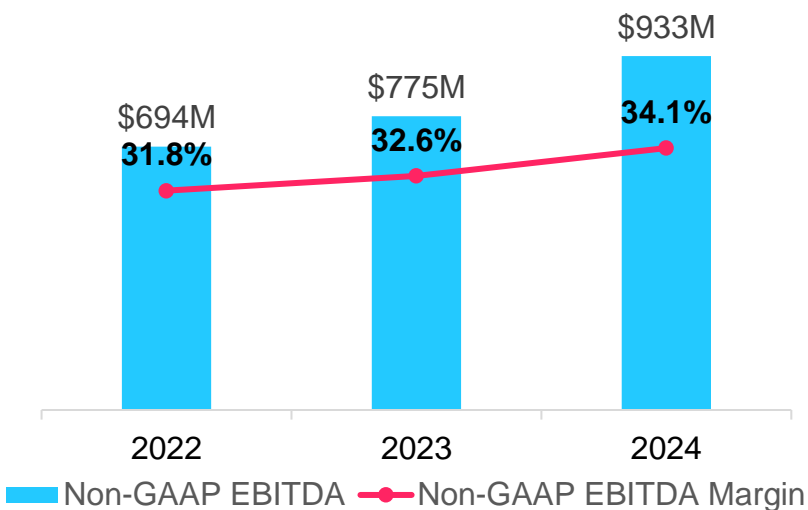
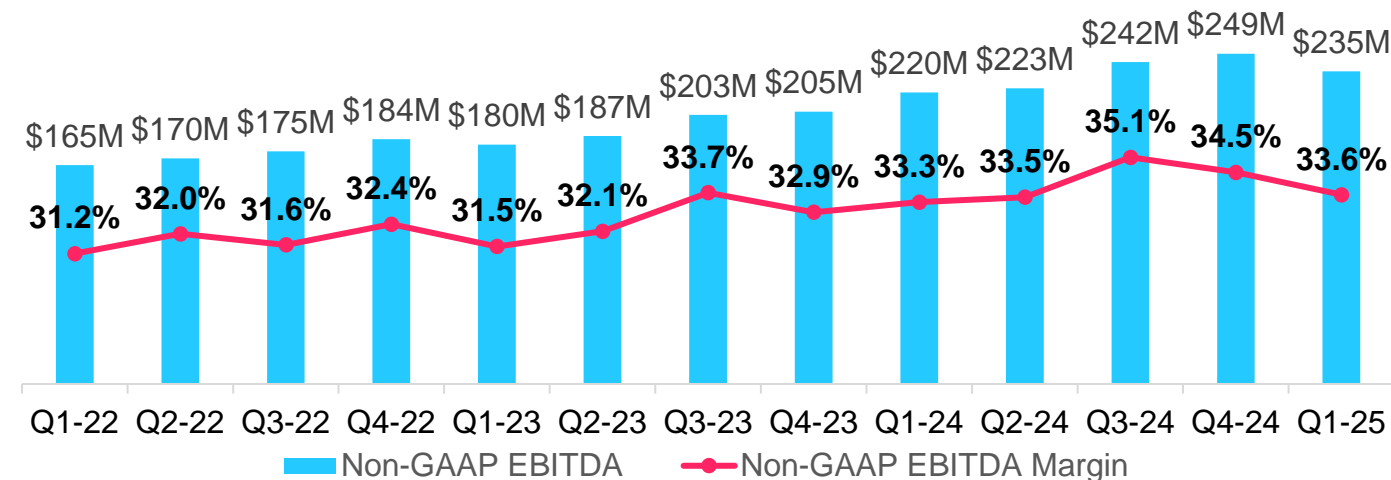
* R&D net of capitalization

Strong Operating Leverage Evident in Growing Profitability

Non-GAAP Operating Margin

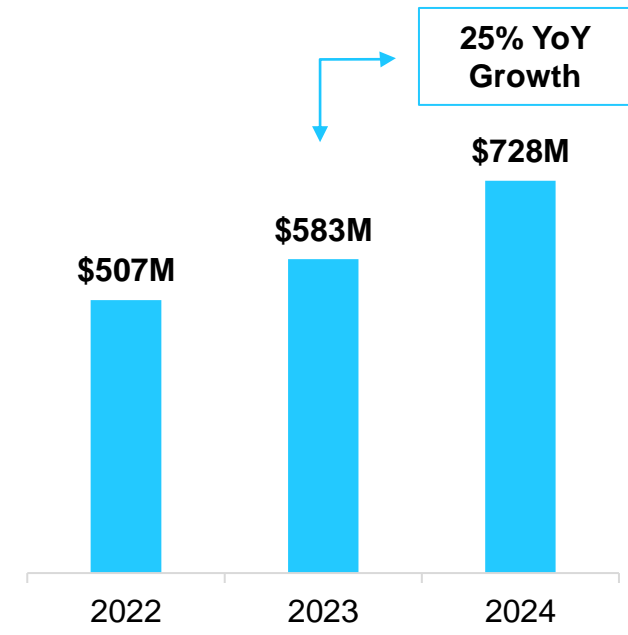
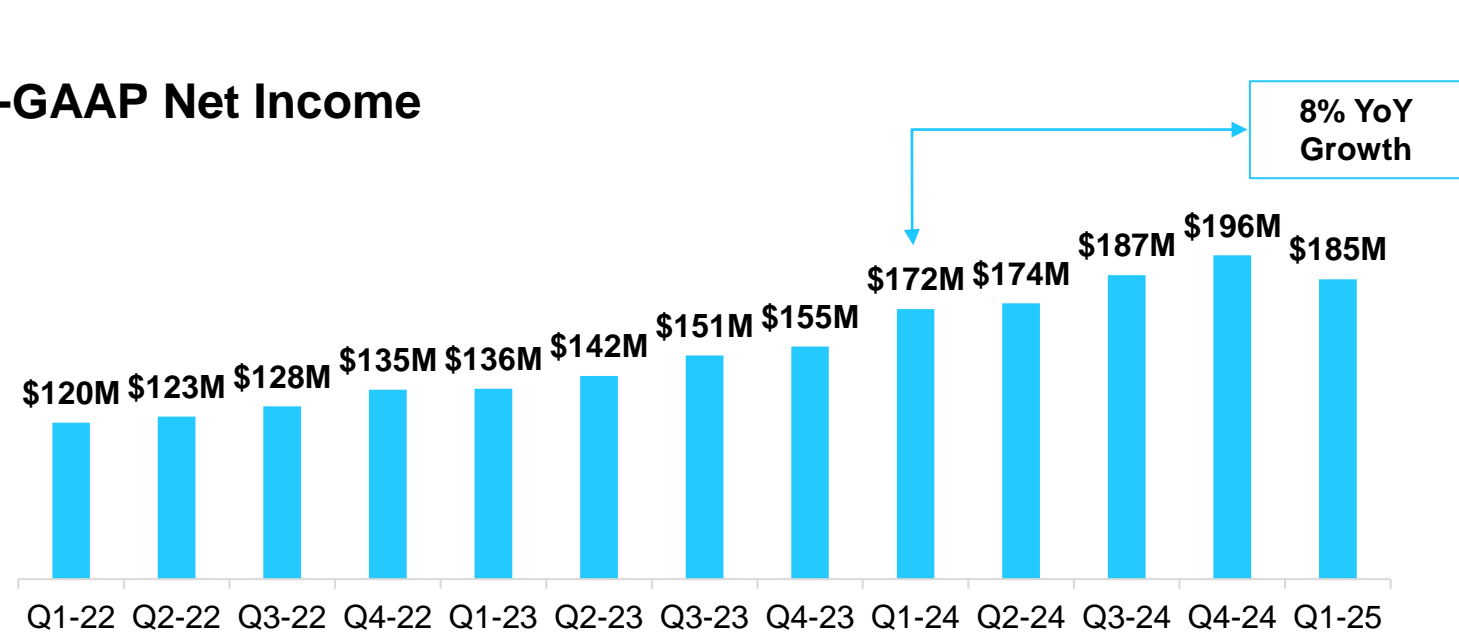


Non-GAAP EBITDA

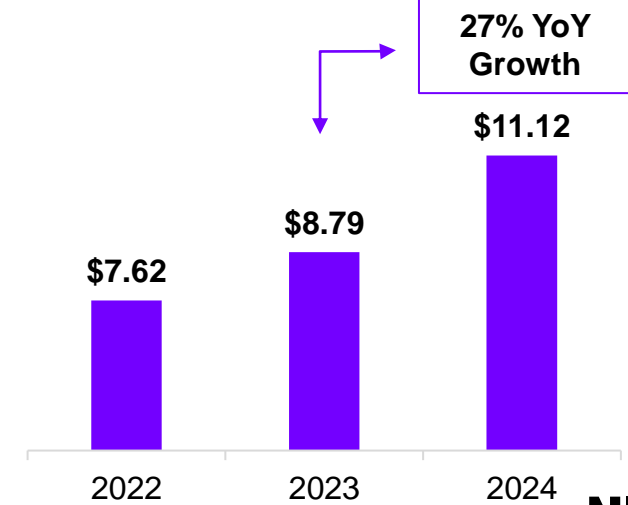
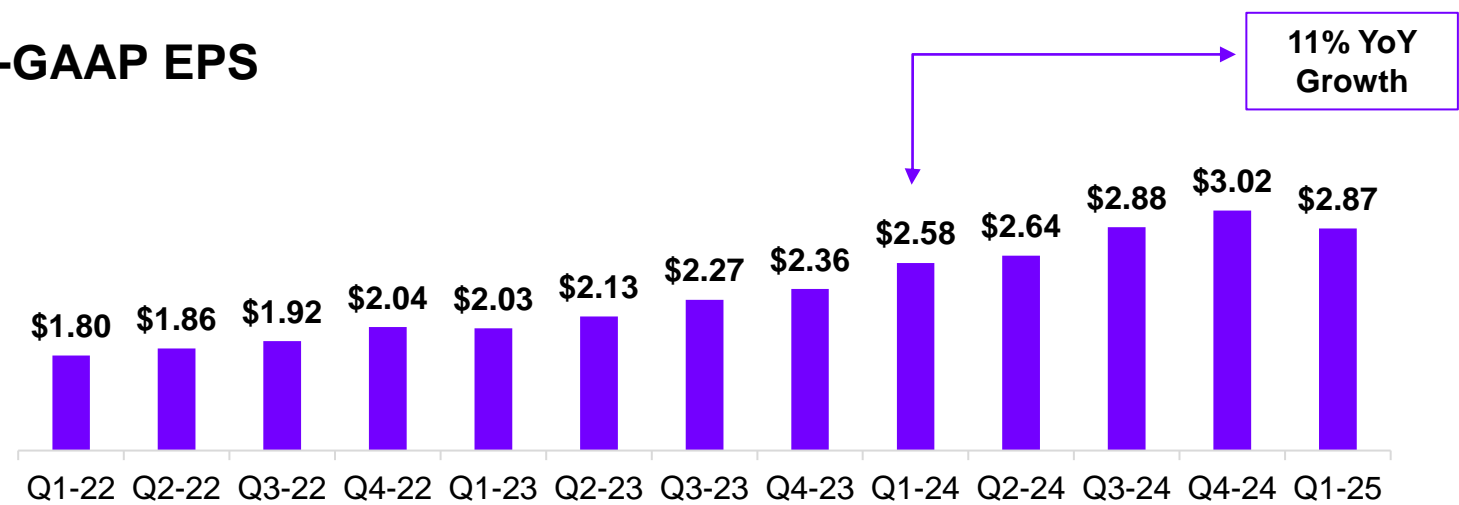


Non-GAAP Net Income and EPS Reflect NICE's Financial Strength

Non-GAAP Net Income

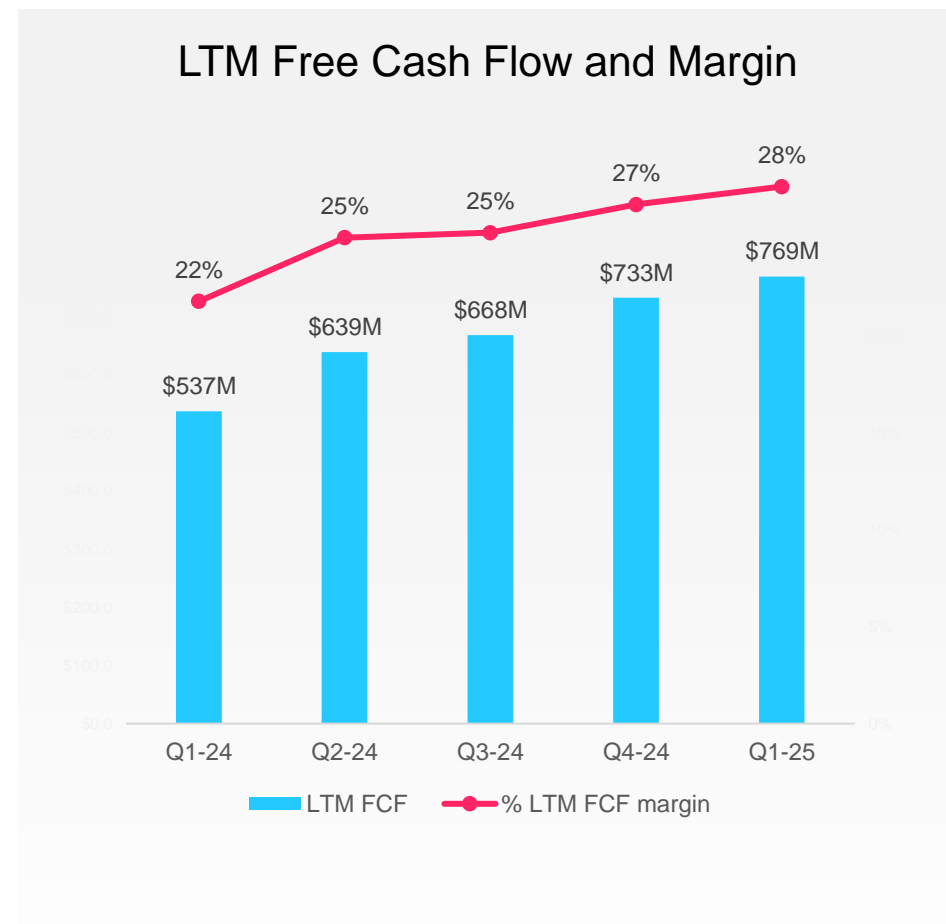


Non-GAAP EPS



Growing Cash From Operations and Free Cash Flow

\$M	LTM Q1-25	LTM Q1-24
Operating Cash Flow	863.2	620.9
Capital expenditure of property and equipment	(28.1)	(26.6)
Capitalization of software development	(65.6)	(56.8)
Free cash flow	769.5	537.5
Free cash flow margin	28%	22%
Cash conversion rate *	1.0	0.9



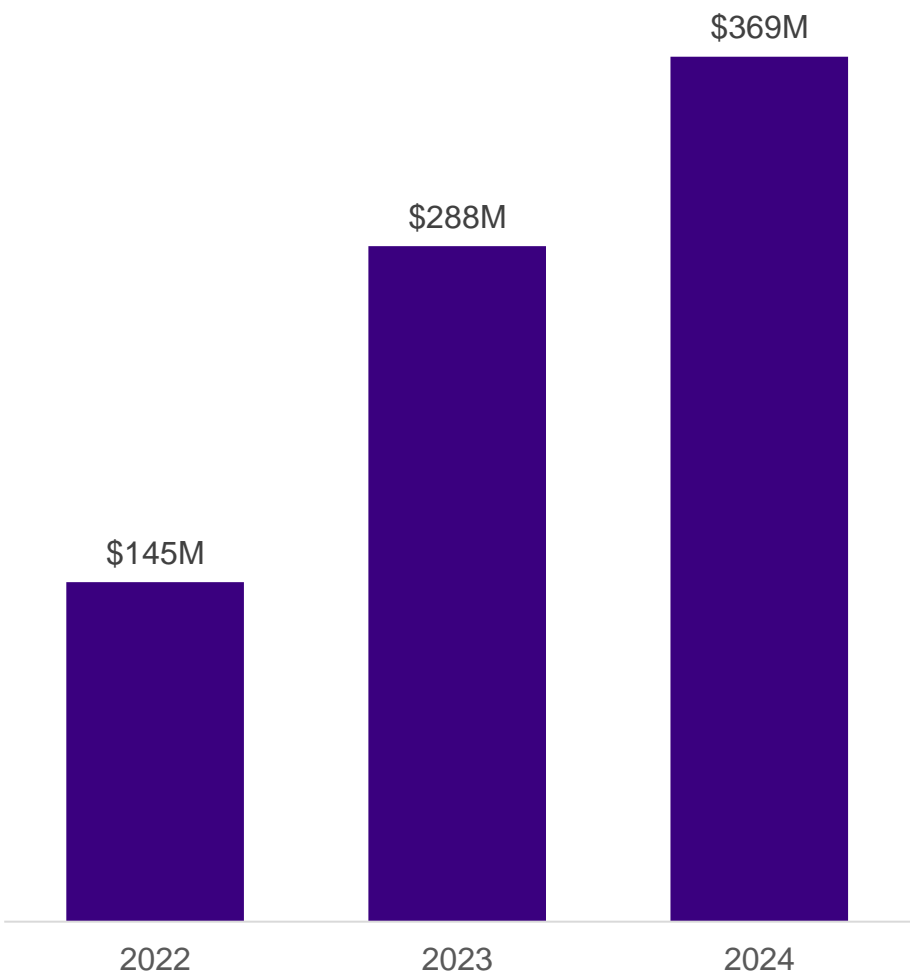
* Cash Conversion Rate = (Free Cash Flow / Non-GAAP Net Income)

Increasing Share Repurchases

Quarterly



Annual

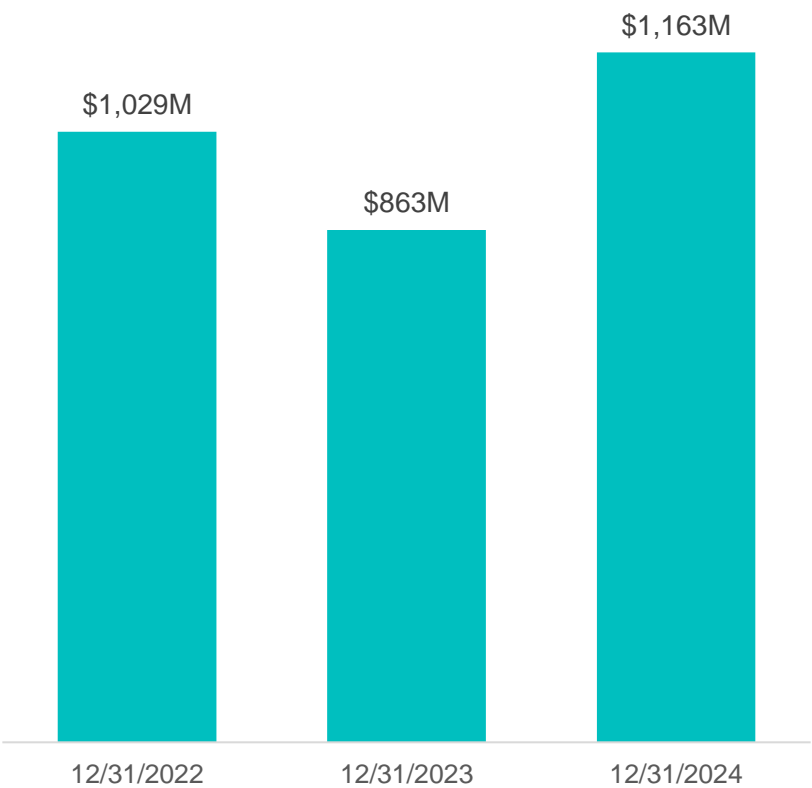


Industry Leading Strong Net Cash Position*

Quarterly



Annual



* Net cash and investments = cash, cash equivalents and short-term investments less total debt net of debt hedge option asset

Outlook* (Non-GAAP)

	Q2 2025	FY 2025
Revenue (\$M)	709 – 719	2,918 – 2,938
Revenue Growth YoY at Midpoint	7%	7%
EPS (\$)	2.93 – 3.03	12.28 – 12.48
EPS Growth YoY at Midpoint	13%	11%

*The outlook is provided as of May 15, 2025. There is no guarantee that the Company will change or update these figures in this presentation should a need arise in the future to update the outlook. This is in addition to the forward-looking statements disclaimer at the beginning of the presentation.

Thank You

NICE 😊

Appendix



GAAP and Non-GAAP Income Statement

USD in thousands (except EPS)

	Quarter ended March 31,	
	2025	2024
GAAP revenues	\$ 700,192	\$ 659,309
Non-GAAP revenues	\$ 700,192	\$ 659,309
GAAP cost of revenue	\$ 232,080	\$ 222,669
Amortization of acquired intangible assets on cost of cloud	(15,403)	(25,367)
Amortization of acquired intangible assets on cost of product	-	(260)
Cost of cloud revenue adjustment (1,2)	(3,178)	(3,002)
Cost of services revenue adjustment (1)	(2,455)	(2,378)
Cost of product revenue adjustment (1)	(22)	(30)
Non-GAAP cost of revenue	\$ 211,022	\$ 191,632
GAAP gross profit	\$ 468,112	\$ 436,640
Gross profit adjustments	21,058	31,037
Non-GAAP gross profit	\$ 489,170	\$ 467,677
GAAP operating expenses	\$ 319,943	\$ 315,201
Research and development (1,2)	(4,693)	(8,143)
Sales and marketing (1,2)	(15,414)	(14,172)
General and administrative (1,2)	(19,558)	(19,831)
Amortization of acquired intangible assets	(4,693)	(5,239)
Valuation adjustment on acquired deferred commission	-	15
Non-GAAP operating expenses	\$ 275,585	\$ 267,831
GAAP financial and other income, net	\$ (15,850)	\$ (14,009)
Amortization of discount on debt	(421)	(549)
Change in fair value of contingent consideration	-	(44)
Non-GAAP financial and other income, net	\$ (16,271)	\$ (14,602)

GAAP and Non-GAAP Income Statement (cont.)

USD in thousands (except EPS)

	Quarter ended March 31,	
	2025	2024
GAAP taxes on income	\$ 34,729	\$ 29,075
Tax adjustments re non-GAAP adjustments	10,093	13,816
Non-GAAP taxes on income	<u>\$ 44,822</u>	<u>\$ 42,891</u>
GAAP net income	\$ 129,290	\$ 106,373
Amortization of acquired intangible assets	20,096	30,866
Valuation adjustment on acquired deferred commission	-	(15)
Share-based compensation (1)	44,925	45,644
Acquisition related and other expenses (2)	395	1,912
Amortization of discount on debt	421	549
Change in fair value of contingent consideration	-	44
Tax adjustments re non-GAAP adjustments	(10,093)	(13,816)
Non-GAAP net income	<u>\$ 185,034</u>	<u>\$ 171,557</u>
GAAP diluted earnings per share	<u>\$ 2.01</u>	<u>\$ 1.60</u>
Non-GAAP diluted earnings per share	<u>\$ 2.87</u>	<u>\$ 2.58</u>
Shares used in computing GAAP diluted earnings per share	64,368	66,528
Shares used in computing non-GAAP diluted earnings per share	64,368	66,528

GAAP and Non-GAAP Income Statement (cont.)

USD in thousands

(1) Share-based compensation

	Quarter ended March 31,	
	2025	2024
Cost of cloud revenue	\$ 3,178	\$ 2,940
Cost of services revenue	2,455	2,378
Cost of product revenue	22	30
Research and development	4,693	7,813
Sales and marketing	15,414	13,529
General and administrative	19,163	18,954
	<u>\$ 44,925</u>	<u>\$ 45,644</u>

(2) Acquisition related and other expenses

	Quarter ended March 31,	
	2025	2024
Cost of cloud revenue	\$ -	\$ 62
Research and development	-	330
Sales and marketing	-	643
General and administrative	395	877
	<u>\$ 395</u>	<u>\$ 1,912</u>

Non-GAAP EBITDA Reconciliation

USD in thousands

	Quarter ended	
	March 31,	
	2025	2024
	Unaudited	Unaudited
GAAP net income	\$ 129,290	\$ 106,373
Non-GAAP adjustments:		
Depreciation and amortization	43,441	51,760
Share-based compensation	43,337	44,404
Financial and other income, net	(15,850)	(14,009)
Acquisition related and other expenses	395	1,912
Valuation adjustment on acquired deferred commission	-	(15)
Taxes on income	34,729	29,075
Non-GAAP EBITDA	<u>\$ 235,342</u>	<u>\$ 219,500</u>

Free Cash Flow Reconciliation

USD in thousands

	Quarter ended March 31,	
	2025	2024
	Unaudited	Unaudited
Free cash flow (a)		
Net cash provided by operating activities	\$ 285,071	\$ 254,490
Purchase of property and equipment	(3,667)	(10,521)
Capitalization of internal use software costs	(16,766)	(15,936)
Free Cash Flow	<u>\$ 264,638</u>	<u>\$ 228,033</u>

(a) Free cash flow from continuing operations is defined as operating cash flows from continuing operations less capital expenditures of the continuing operations and less capitalization of internal use software costs.

Condensed Consolidated Balance Sheet

USD in thousands

	March 31, 2025 Unaudited	December 31, 2024 Audited		March 31, 2025 Unaudited	December 31, 2024 Audited
ASSETS			TOTAL ASSETS	<u>\$ 5,231,927</u>	<u>\$ 5,295,906</u>
CURRENT ASSETS:			LIABILITIES AND SHAREHOLDERS' EQUITY		
Cash and cash equivalents	469,532	\$ 481,712	CURRENT LIABILITIES:		
Short-term investments	1,141,145	1,139,996	Trade payables	\$ 59,414	\$ 110,603
Trade receivables	643,245	643,985	Deferred revenues and advances from customers	375,330	299,367
Prepaid expenses and other current assets	210,184	239,080	Current maturities of operating leases	12,200	12,554
Total current assets	<u>2,464,106</u>	<u>2,504,773</u>	Debt	459,212	458,791
			Accrued expenses and other liabilities	<u>637,388</u>	<u>593,109</u>
LONG-TERM ASSETS:			Total current liabilities	<u>1,543,544</u>	<u>1,474,424</u>
Property and equipment, net	184,274	185,292	LONG-TERM LIABILITIES:		
Deferred tax assets	239,537	219,232	Deferred revenues and advances from customers	62,123	66,289
Other intangible assets, net	211,432	231,346	Operating leases	67,250	92,258
Operating lease right-of-use assets	71,108	93,083	Deferred tax liabilities	654	1,965
Goodwill	1,854,973	1,849,668	Other long-term liabilities	<u>58,461</u>	<u>57,807</u>
Prepaid expenses and other long-term assets	<u>206,497</u>	<u>212,512</u>	Total long-term liabilities	<u>188,488</u>	<u>218,319</u>
Total long-term assets	<u>2,767,821</u>	<u>2,791,133</u>	SHAREHOLDERS' EQUITY		
TOTAL ASSETS	<u>\$ 5,231,927</u>	<u>\$ 5,295,906</u>	Nice Ltd's equity	3,499,895	3,589,742
			Non-controlling interests	-	13,421
			Total shareholders' equity	<u>3,499,895</u>	<u>3,603,163</u>
			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 5,231,927</u>	<u>\$ 5,295,906</u>