

RIMINI STREET, INC.
Unaudited Condensed Consolidated Balance Sheets
(In thousands, except per share amounts)

ASSETS	March 31, 2021	December 31, 2020
Current assets:		
Cash and cash equivalents	\$ 153,163	\$ 87,575
Restricted cash	334	334
Accounts receivable, net of allowance of \$1,088 and \$723, respectively	83,928	117,937
Deferred contract costs, current	13,989	13,918
Prepaid expenses and other	15,746	13,456
Total current assets	267,160	233,220
Long-term assets:		
Property and equipment, net of accumulated depreciation and amortization of \$11,508 and \$10,985, respectively	4,743	4,820
Operating lease right-of-use assets	16,068	17,521
Deferred contract costs, noncurrent	20,511	21,027
Deposits and other	1,453	1,476
Deferred income taxes, net	1,633	1,871
Total assets	<u>\$ 311,568</u>	<u>\$ 279,935</u>
LIABILITIES, REDEEMABLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 2,372	\$ 3,241
Accrued compensation, benefits and commissions	33,840	38,026
Other accrued liabilities	19,063	21,154
Operating lease liabilities, current	3,806	3,940
Deferred revenue, current	219,453	228,967
Total current liabilities	278,534	295,328
Long-term liabilities:		
Deferred revenue, noncurrent	30,544	27,966
Operating lease liabilities, noncurrent	15,023	15,993
Accrued PIK dividends payable	1,051	1,193
Liability for redeemable warrants	6,790	2,122
Other long-term liabilities	2,514	2,539
Total liabilities	334,456	345,141
Redeemable Series A Preferred Stock:		
Authorized 180 shares; issued and outstanding 146 shares and 155 as of March 31, 2021 and December 31, 2020, respectively. Liquidation preference of \$146,104, net of discount of \$14,497 and \$154,911, net	131,607	137,854

of discount of \$17,057, as of March 31, 2021 and December 31, 2020, respectively

Stockholders' Deficit:		
Preferred Stock, \$0.0001 par value per share. Authorized 99,820 shares (excluding 180 shares of Series A Preferred Stock); no other series has been designated	—	—
Common Stock, \$0.0001 par value. Authorized 1,000,000 shares; issued and outstanding 85,140 and 76,406 shares as of March 31, 2021 and December 31, 2020, respectively	9	8
Additional paid-in capital	152,762	98,258
Accumulated other comprehensive loss	(2,682)	(318)
Accumulated deficit	(304,584)	(301,008)
Total stockholders' deficit	(154,495)	(203,060)
Total liabilities, redeemable preferred stock and stockholders' deficit	<u>\$ 311,568</u>	<u>\$ 279,935</u>

RIMINI STREET, INC.

Unaudited Condensed Consolidated Statements of Operations

(In thousands, except per share amounts)

	Three Months Ended March 31,	
	2021	2020
Revenue	\$ 87,895	\$ 78,032
Cost of revenue	33,836	30,199
Gross profit	<u>54,059</u>	<u>47,833</u>
Operating expenses:		
Sales and marketing	30,383	28,412
General and administrative	16,603	12,001
Impairment charge related operating right of use assets	393	—
Litigation costs and related recoveries:		
Professional fees and other costs of litigation	4,763	2,752
Insurance costs and recoveries, net	—	921
Litigation costs and related recoveries, net	<u>4,763</u>	<u>3,673</u>
Total operating expenses	<u>52,142</u>	<u>44,086</u>
Operating income	1,917	3,747
Non-operating income and (expenses):		
Interest expense	(47)	(13)
Loss on change in fair value of redeemable warrants	(4,668)	—
Other income (expenses), net	<u>772</u>	<u>(218)</u>
Income (loss) before income taxes	(2,026)	3,516
Income tax expense	<u>(1,550)</u>	<u>(971)</u>
Net income (loss)	<u>\$ (3,576)</u>	<u>\$ 2,545</u>

Net loss attributable to common stockholders	\$ (9,845)	\$ (4,085)
Net loss per share attributable to common stockholders:		
Basic and diluted	\$ (0.13)	\$ (0.06)
Weighted average number of shares of Common Stock outstanding:		
Basic and diluted	78,733	67,863

RIMINI STREET, INC.
GAAP to Non-GAAP Reconciliations
(In thousands)

	Three Months Ended	
	March 31,	
	2021	2020
Non-GAAP operating income reconciliation:		
Operating income	\$ 1,917	\$ 3,747
Non-GAAP adjustments:		
Litigation costs and related recoveries, net	4,763	3,673
Stock-based compensation expense	2,233	1,510
Impairment charge related to operating right-of-use assets	393	—
Non-GAAP operating income	\$ 9,306	\$ 8,930
Non-GAAP net income reconciliation:		
Net income (loss)	\$ (3,576)	\$ 2,545
Non-GAAP adjustments:		
Litigation costs and related recoveries, net	4,763	3,673
Loss on change in fair value of redeemable warrants	4,668	—
Stock-based compensation expense	2,233	1,510
Impairment charge related to operating right-of-use assets	393	—
Non-GAAP net income	\$ 8,481	\$ 7,728
Non-GAAP Adjusted EBITDA reconciliation:		
Net income (loss)	\$ (3,576)	\$ 2,545
Non-GAAP adjustments:		
Interest expense	47	13
Income tax expense	1,550	971
Depreciation and amortization expense	584	449
EBITDA	(1,395)	3,978
Non-GAAP adjustments:		
Litigation costs and related recoveries, net	4,763	3,673
Loss on change in fair value of redeemable warrants	4,668	—
Stock-based compensation expense	2,233	1,510
Impairment charge related to operating right-of-use assets	393	—

Adjusted EBITDA	<u>\$ 10,662</u>	<u>\$ 9,161</u>
Billings:		
Revenue	\$ 87,895	\$ 78,032
Deferred revenue, current and noncurrent, as of the end of the period	249,997	222,654
Deferred revenue, current and noncurrent, as of the beginning of the period	<u>256,933</u>	<u>235,498</u>
Change in deferred revenue	(6,936)	(12,844)
Billings	<u>\$ 80,959</u>	<u>\$ 65,188</u>