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Needham Emerging Tech

May 2019

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Upland Management Team



Jack McDonald

Founder, Chairman, and CEO

+ **Serial entrepreneur,** winner of E&Y Entrepreneur of The Year™ Award
+ Led **two successful NASDAQ IPOs** (UPLD + PRFT)
+ Created **>$2BN** in shareholder / enterprise value across companies
+ **Led PRFT** (1999 – 2010) from startup to **$250MM** global IT consulting leader
+ **Consistent value creation track record** as public company Chairman / CEO
+ Executed as CEO over **40** successful technology acquisitions
+ Raised **$500MM+** in equity and debt across 4 companies

PERFICIENT · BLOCKBUSTER · Skadden



Mike Hill

CFO

+ Member of **Upland founding team**
+ **CFO of Perficient** (NASDAQ: PRFT) (2004-2007) **from $30MM to over $200MM** annual revenue run-rate
+ **Consistent value creation track record** as public company CFO
+ Executed as CFO **>30** successful technology acquisitions across 3 companies
+ Raised **$500MM+** in equity and debt across 3 companies
+ Started career at **Ernst & Young LLP** (1991 – 1999)
+ BBA from University of Texas

PERFICIENT · EY · TEXAS The University of Texas at Austin

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Company Overview

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Investment Highlights

- Leading Enterprise Work Management Cloud for automated and integrated workflows
- Attractive market opportunity driven by cloud, digital transformation, and VC investment tailwinds
- Growth flywheel: Product + Operating + M&A Platforms
- UplandOne operating platform provides unique and proven ability to execute and scale
- High growth, high recurring revenue, high margin model
- Capital and tax efficient for accretive profitable growth
- Experienced management team driving value creation through prudent capital stewardship

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Upland Software at a Glance

UPLD
Russell 2000 Index

EWM
$25B
TAM



HQ Austin, TX
Started 2012

1,000,000+
Global Users

9,000+
Customers

1,300+
Major Accounts
(>$100k Avg. ARR)

$205MM[1]
Annual Rev Run-rate
>90% Recurring

62%[2]
Revenue
Growth

37%[3]
Adjusted
EBITDA

98%[4]
Net
DRR

19
Consecutive
Quarters of
Meet or Beat

21
Acquisitions
to Date

>$100MM
ARR via Acquisitions
Over the Last 2 years

Source: Company information and management
(1) Based on the annualized run-rate of total revenue for the quarter ended March 31, 2019 as disclosed in the May 2, 2019 Form 8-K, plus pro-forma total revenue from the Post-Up acquisition, as disclosed in the April 22, 2019 Form 8-K.
(2) Year-over-year recurring revenue growth for the quarter ended March, 31 2019 as disclosed in the May 2, 2019 Form 8-K.
(3) Adjusted EBITDA as a % of revenue based on the quarter ending March 31, 2019 as disclosed in the May 2, 2019 Form 8-K. See slide 24 for definition and reconciliation of Adjusted EBITDA.
(4) As disclosed in the March 7, 2019 Form 8-K and March 15, 2019 Form 10-K.

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Upland's Enterprise Work Management Cloud

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Automating and Integrating Enterprise Workflows

Value Delivered	Enterprise Cloud Solution Suites
DRIVE REVENUE by delivering outstanding customer experiences and sales productivity	**Sales & Marketing** Customer Experience Management Enterprise Sales Enablement
REDUCE COSTS by streamlining high-volume processes and ensuring data security and compliance	**Document Lifecycle** Document Lifecycle Automation Secure Document Services
IMPROVE PRODUCTIVITY by transforming services delivery and convert cost centers into value drivers	**Project & IT Management** Professional Services Automation Project and Financial Management

Knowledge Management

Cloud-Based Workflow Automation with **Deep Functional Solutions**

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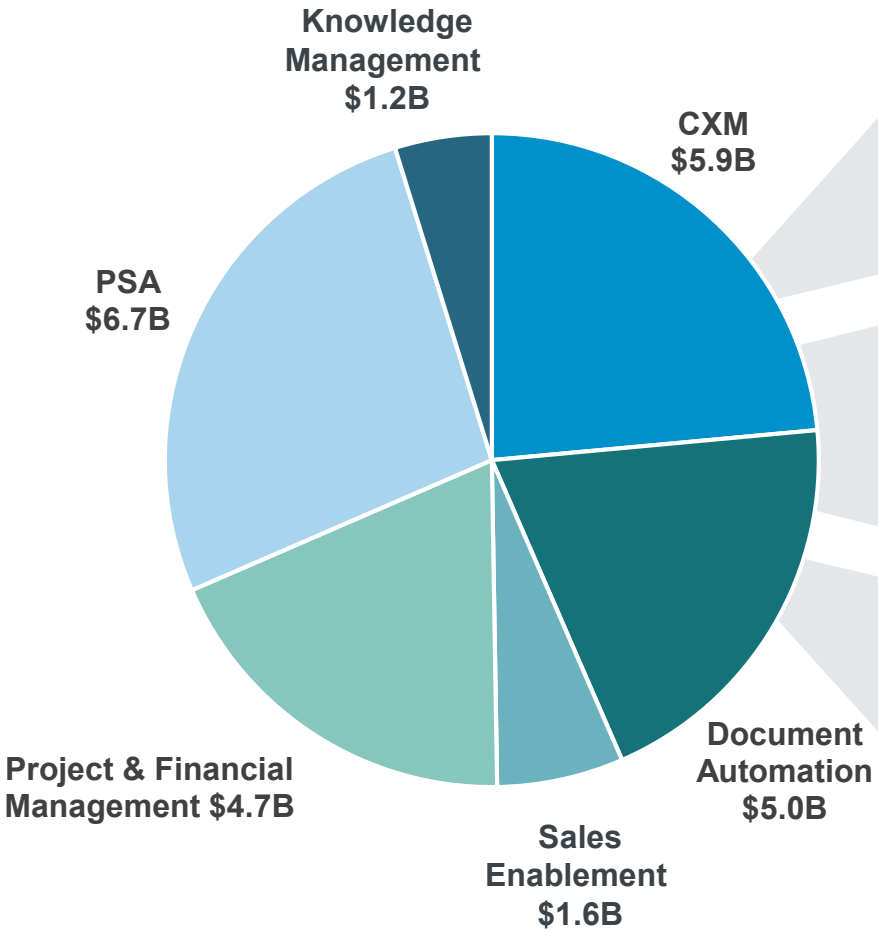
$25B+ Market Driven by Secular Tailwinds



1 Digital Transformation

Need for automated solutions that are **scalable** and **integrated**, versus siloed and manual

2 Transition to Cloud

Still early innings in the **digital transformation** of the **enterprise**, driving productivity across every department

3 Wave of VC Investment

VCs investing **tens of billions of dollars annually in Cloud**, creating a **healthy pipeline of targets for Upland**

Sources: Gartner Magic Quadrant for Cloud-Based IT Project and Portfolio Management Services; Grand View Research Professional Service Automation (PSA) Software Market Size & Analysis; Apptio S-1; WinterGreen Research Business Process Management (BPM) Cloud, Mobile, and Patterns; Research & Markets Global Knowledge Management Market Analysis, Size, Share, Growth, Trends & Forecast; Markets & Markets Customer Experience Management Market Global Forecast; Aragon Research Sales Engagement Platform Forecast; Arizton Advisory & Intelligence Online Fax Market Global Outlook and Forecast 2017–2022.

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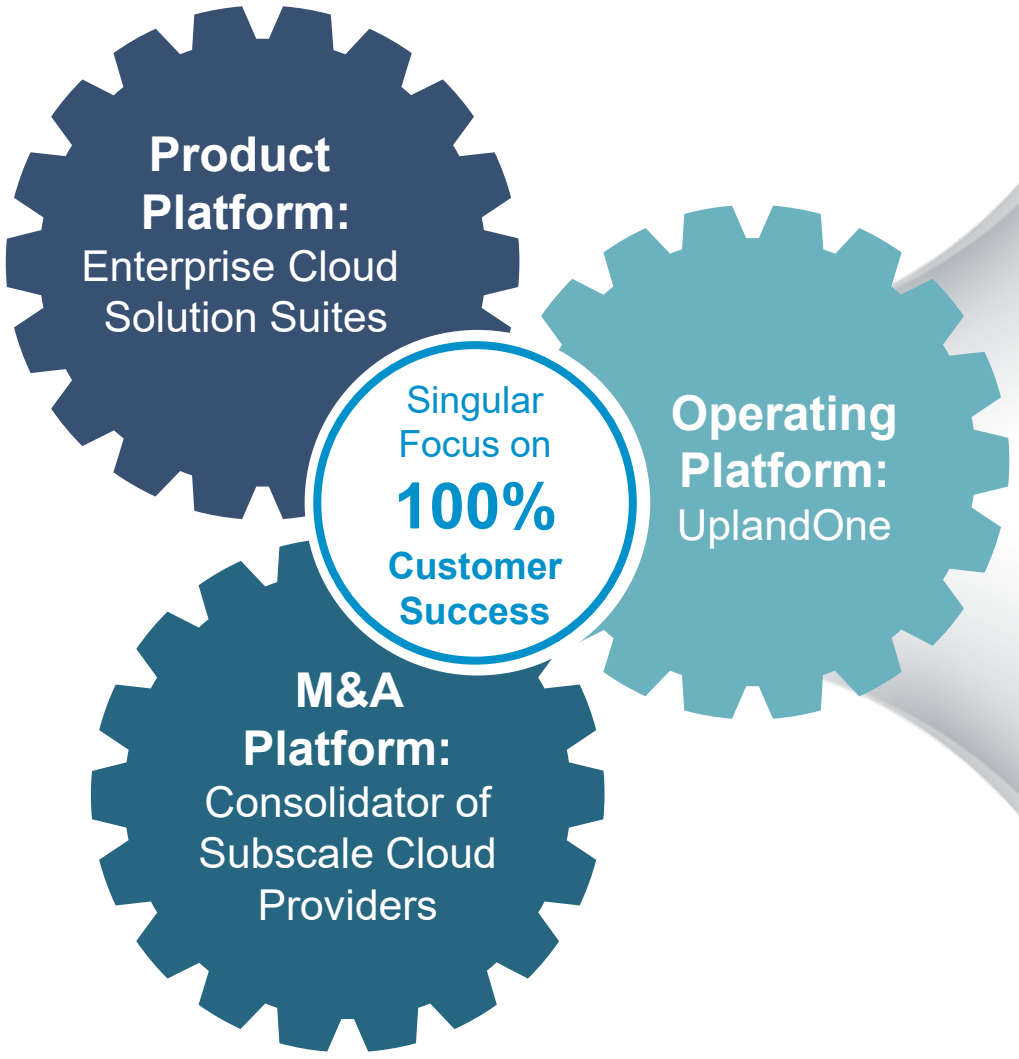
3 Key Drivers of the Upland Growth Flywheel



- ✓ **Acquire thematic, proven cloud products with blue chip customers at highly accretive multiples**
- ✓ **Professionalize operations via transformation playbook, increase margins + customer satisfaction**
- ✓ **Drive expansion revenue across our 9,000+ customers through growing enterprise salesforce**

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UplandOne = A Better Way to Run a Software Business

1. **100% Customer Success Culture**
   Proven, programmatic, efficient customer outreach and account management
2. **Enterprise Grade Delivery**
   Global 24/7 customer support + PSO + AWS
3. **Analytics and Automation**
   Hyper-efficient and responsive R&D
4. **Customer-Driven Product Innovation**
   Customer needs guiding both R&D and M&A initiatives
5. **Outsourcing and Offshoring**
   Tap global labor markets, staff with stars at fraction of price

Satisfied Customers

98% *Net Dollar Retention Rate(1)*

Higher Margins

37% *Adjusted EBITDA(2) margin*

Unique Ability to Execute and Scale

(1) As disclosed in the March 7, 2019 Form 8-K and March 15, 2019 Form 10-K.
(2) See slide 24 for definition and reconciliation of Adjusted EBITDA.

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Upland's Unified Product Platform

✓ **Integrated Platform** ✓ **Seamless Experience** ✓ **Deep Functionality** ✓ **Enterprise-Grade**

Common UI/UX

Single Sign On (SSO)

Upland Analytics

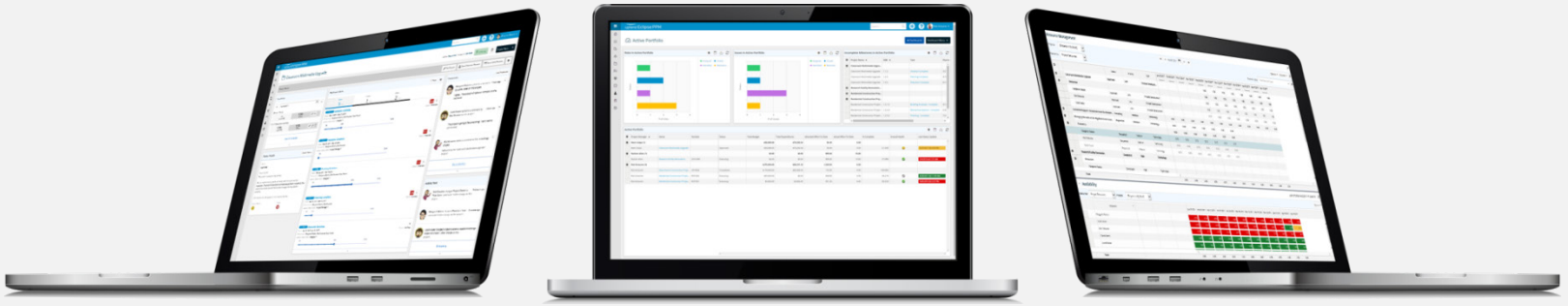
Upland Mobile

Upland Work Center (Q4'19)



- Customer Experience Management
- Sales Enablement
- Professional Services Automation
- Project and Financial Management
- Document Lifecycle Automation
- Secure Content Services
- Enterprise Knowledge Management

7 Enterprise Solution Suites



16 Enterprise Work Management Products

Upland Integration Platform

Integrations Powered by Dell Boomi

Enterprise-Grade Cloud Platform (amazon web services)

Enterprise-Grade Cloud Platform

LinkedIn, Marketo, ORACLE, salesforce, infor, SAP, Microsoft Dynamics, CONCUR, ADP

Key Third-Party Applications

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Upland's M&A Platform: Target Screening Objectives



Goals and Track Record

+ Innovate through acquisition
+ Add $25-$50MM revenue run-rate per year
+ Strong reputation / pipeline
+ CEO has done 41 successful tech acquisitions in 20 years
+ 21 acquisitions to date @ 0.9x-3.3x revs



Strategic Fit

+ Cloud-native
+ Build out solution suites
+ Solutions our existing customers want
+ Add to our Fortune 2000 and major mid-size customer base
+ US, Canada, EMEA



Financial Fit

+ $5-25MM Revenue
+ Sticky, with 90%+ NDRR
+ 70%+ Gross Margins
+ 10-15% Organic Growth
+ Average ARR per Major Account > $25K
+ 5-8x Pro Forma Adj. EBITDA(1)

Source: Company information and management
(1) See slide 24 for definition and reconciliation of Adjusted EBITDA

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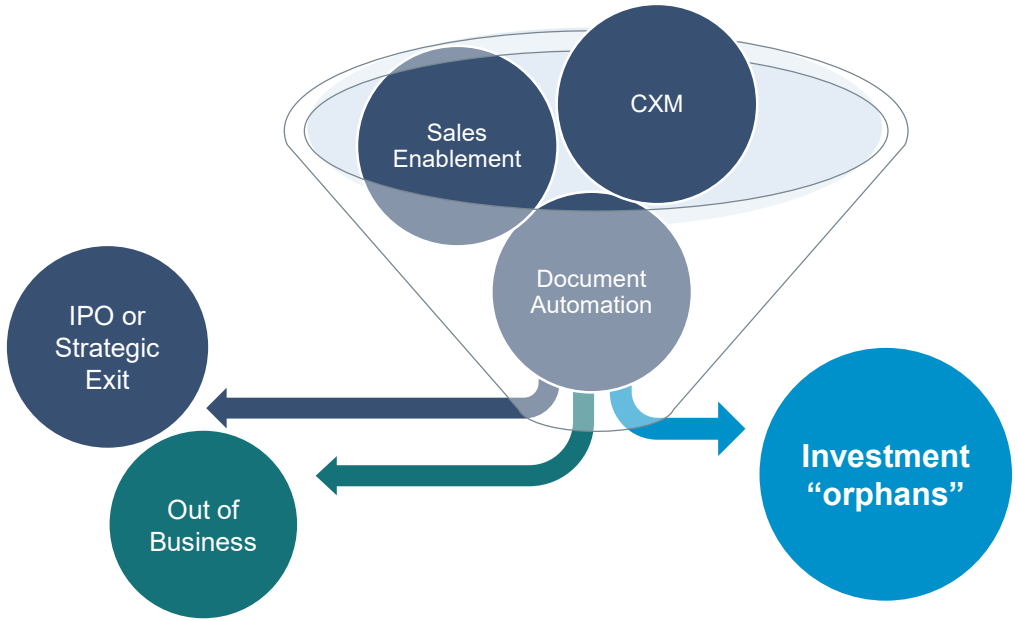
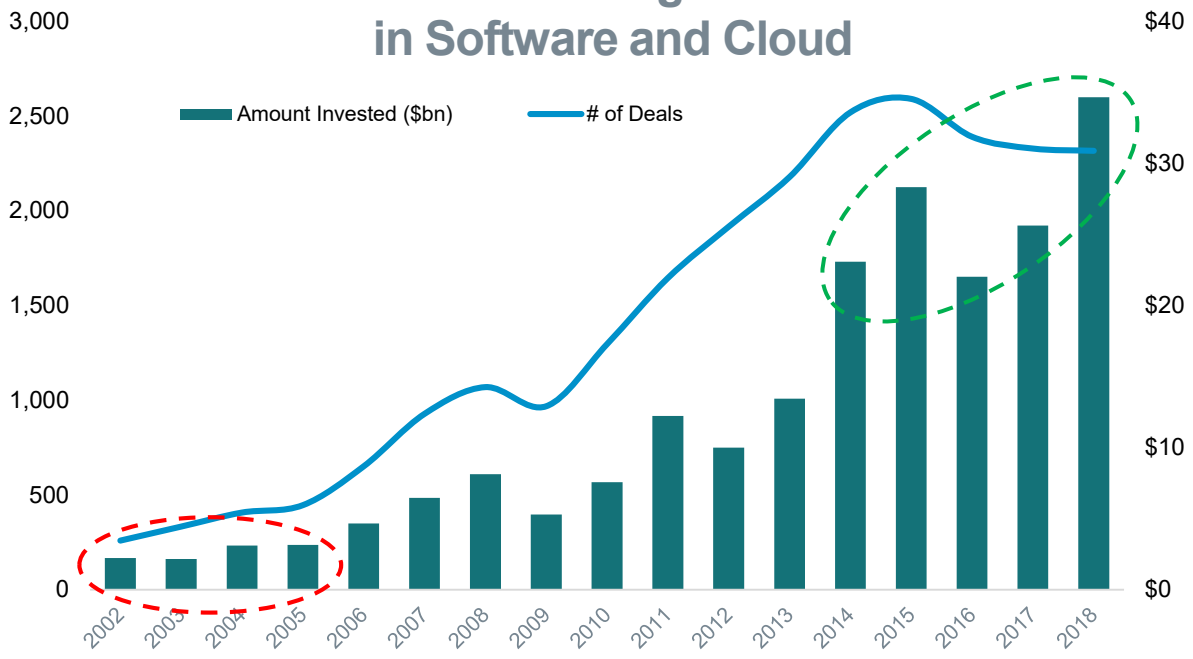
Upland's M&A Platform: Market Opportunity

Targeting "Orphaned" VC Investments



Massive and Growing VC Investment in Software and Cloud



Targeting a ***large pool of VC Cloud investments***: businesses with a proven product / market, but in need of a platform

Evergreen opportunity from continued VC Cloud investments

Growing pool of targets with ***$210 billion invested by VCs*** since 2002(1)

Majority of VC investments in Cloud have come in the ***last 5 years***

(1) PwC/CBInsights MoneyTree™ data for Q1 2002 to Q4 2018, filtered by Sector (Software and Internet) and Stage (Seed, Early, Expansion, Later Stage, or Other).

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Diversified Base of 9,000+ Customers

Building lasting and **strategic relationships** with customers

1,300+
accounts
>$100K ARR

80%+
revenue from
major accounts

Financial Services

BNY Mellon, Fidelity Investments, Goldman Sachs, ING, JPMorganChase, MUFG Bank of Tokyo-Mitsubishi UFJ, Raymond James, SunTrust, Wells Fargo

Government, Nonprofit, Education

American Red Cross, CUNY The City University of New York, Human Rights Campaign, National Association of Realtors, The Nature Conservancy, NYC Human Resources Administration, PETA, Planned Parenthood, Sierra Club, United States Navy

Technology

Adobe, CDW, Cisco, Dell, Ericsson, First Data, GE, SAP, Siemens

Media

Allured business media, Disney, FP News Papers Inc, gray, iHeart Radio, The McGraw-Hill Companies, Mc Graw Hill Education, NBC Universal, SAGE Publishing, StarTribune, Viacom

Manufacturing, Industrial

Abbott, CNH, Duke Energy, Emerson, Eaton, Ingersoll Rand Inspiring Progress, Johnson Controls, PPG, Rockwell Collins, ThermoFisher Scientific

Corporate Services

ADP, CenturyLink, fiserv., hp, Ricoh, tyco, Xerox

Healthcare

Cigna, McKesson, Merck, Pfizer, UnitedHealthcare Medicare Solutions

Consumer, Restaurant, Retail

AAA, Avis, Life Fitness, Coca-Cola, Callaway Golf, Harley-Davidson Motor Cycles, Kellogg's, Mary Kay, MillerCoors, PepsiCo, Sargento, Staples, Whataburger

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UplandOne Driving Penetration in Strategic Accounts

Large European IT Services Corporation

Enterprise Sales Enablement Suite

Problem:

- Low win-rate and lengthy response times for RFPs
- Lack of brand consistency and wasted time locating RFP answers

Upland's solutions:

- Automate workflows and create brand-compliant RFP packages
- Provide intelligent answer recommendations and create a central repository

Results:

- Reduced proposal response times and improved win-rates
- Increased brand compliance and content quality
- Improved productivity and increased accuracy of responses

Key metrics

Grew from **~100** licenses in EMEA (2017) to **>750** across US / APAC

Starting ARR (2017):	Current ARR (2018):	Expansion CAGR:
$26K	**$200K**	**+652%**

Large Medical Device Manufacturer

Project and Financial Management Suite

Problem:

- Lack of cost control and project visibility in IT project management office
- Limited alignment between projects and overall strategic objectives

Upland's solutions:

- Accurately track details (costs, consumption, usage, etc.) of IT projects
- Create a centralized framework for demand management, resource optimization, project delivery, and financial oversight

Results:

- Full financial visibility across IT organization
- Deeper insight and better analytics into project performance
- Improved project success and ROI for IT investments

Key metrics

Expanded to **>4,000** users for all IT project & resource planning since 2014

Starting ARR (2014):	Current ARR (2018):	Expansion CAGR:
$55K	**$724K**	**+77%**

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Experienced Management Team with Track Record of Successful Execution



Jack McDonald
Founder, Chairman & CEO

+ Leads overall strategic direction, acquisition, integration, and growth strategies



Tim Mattox
President & COO

+ Leads sales, marketing, development, operations, human resources, and product areas



Mike Hill
CFO

+ Leads Upland's finance & corporate development organizations



Sean Nathaniel
EVP & CTO

+ Oversees Workflow Automation products and translates product vision into cloud applications



Mounir Hilal
EVP & Chief Customer Officer

+ Oversees Project & IT Management products and responsible for Customer Success Program



Jed Alpert
EVP & General Manager

+ Oversees CXM solutions and translates strategy and vision into marketing communications



Kevin Sequeira
SVP of Product Management

+ Leads product management team and responsible for delivering customer-driven innovation across product lines



Kin Gill
SVP, General Counsel & Secretary

+ Oversees worldwide legal affairs and implementation of overall legal strategy



Ian Burk
SVP of Integration

+ Leads integration operations and acts as transitional GM for acquired companies



Paul Miller
SVP & CMO

+ Leads core operational functions, including sales operations, business operations, and marketing



Rochelle Delley
VP of Security and Compliance

+ Leads Upland's global security and compliance policies and programs



Austin Woody
VP of M&A and Corporate Development

+ Leads Upland's acquisitions and corporate development team



Dominic Aelberry
VP of EMEA

+ Lead Upland's sales, customer success, and services outside of the North America



Amber Bennett
VP of Finance

+ Leads Upland's strategic and financial planning organization



Jen Verzal
VP of Human Resources

+ Leads Human Resources and responsible for building a culture of smart, positive, and creative people

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Financial Overview

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Financial Highlights

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Capital Stewardship + Value Creation

- ✓ **40% revenue growth CAGR** ('16A-'19E)[1] over $200MM scale
- ✓ **>90% recurring revenue**, growing 62% last year
- ✓ **98% net dollar retention rate**[2]
- ✓ **37% Adjusted EBITDA**[3] **margin** and growing (target 40% at scale)
- ✓ **High adjusted FCF conversion:** capital and tax efficient
- ✓ **Met or beat guidance every quarter since IPO** (19 consecutive quarters)

(1) Based on the midpoint of our guidance range for the year ended December 31, 2019 as disclosed in the May 2, 2019 Form 8-K.
(2) As disclosed in the March 7, 2019 Form 8-K and March 15, 2019 Form 10-K.
(3) See slide 24 for definition and reconciliation of Adjusted EBITDA.

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Stages of Upland's Evolution

1



M&A for Critical Mass

2



Standardized UplandOne Operating Platform

3



Margin Expansion

4



Continued Accretive M&A Growth

+

Organic Growth

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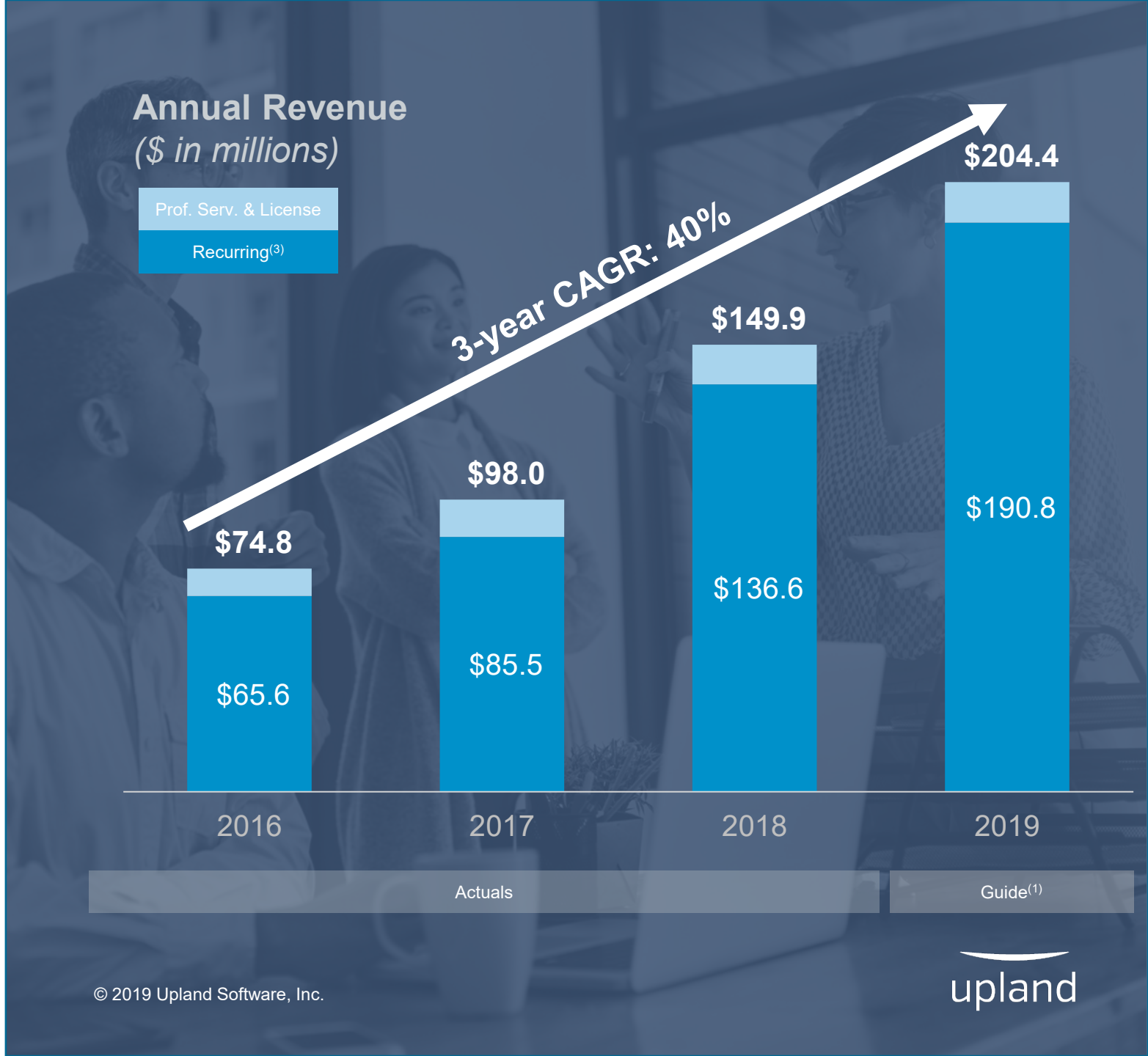
Annual Revenue Growth Trend

Growth Drivers

+ Accretive acquisitions
+ 98% net dollar retention rate(2)
+ Installed base expansion
+ Price uplift, platinum support
+ Efficient new logo acquisition



Source: Company information and management

(1) Based on the midpoint of our guidance range for the year ended December 31, 2019 as disclosed in the May 2, 2019 Form 8-K.
(2) As disclosed in the March 7, 2019 Form 8-K and March 15, 2019 Form 10-K.
(3) Recurring revenue is also known as Subscription and Support revenue.

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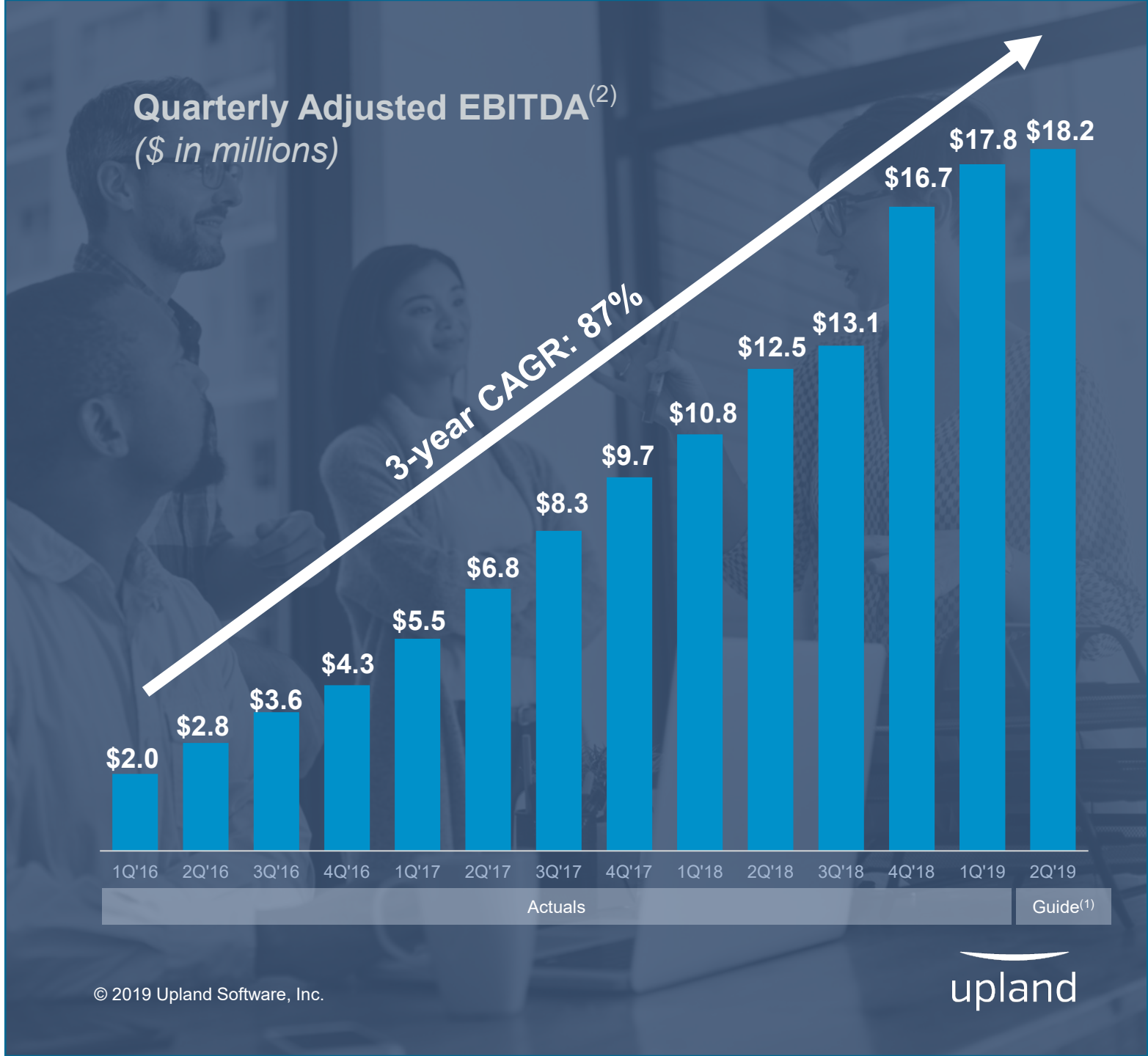
Adjusted EBITDA Growth Trend

Consistent Margin Expansion

+ Driven by UplandOne operating platform and scale efficiencies

+ Adjusted EBITDA[(2)] expansion from 3% at IPO to 37% today

+ Increased Adj. EBITDA[(2)] margins by 744 bps (past 8 quarters) while doubling Sales HC



Source: Company information and management

(1) Based on the midpoint of our guidance range for the quarter ended June 30, 2019 as disclosed in the May 2, 2019 Form 8-K.

(2) See slide 24 for definition and reconciliation of Adjusted EBITDA.

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Investment Highlights

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- Experienced management team driving value creation through prudent capital stewardship

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Appendix

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Adjusted EBITDA Reconciliation to Net Income (Loss)
(in Millions)

	1Q'16	2Q'16	2Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	1Q'19
Net Income (Loss)	$(5.6)	$(3.6)	$(2.4)	$(2.0)	$(5.6)	$(5.8)	$(3.5)	$(3.8)	$(3.2)	$(5.2)	$(4.2)	$1.8	$(7.8)
Depreciation and amortization expense	2.5	2.6	2.4	2.3	2.4	2.6	3.1	3.8	4.2	5.0	5.4	6.7	7.4
Interest expense, net	0.6	0.7	0.7	0.8	0.9	1.2	2.3	2.2	2.5	3.1	3.1	4.5	5.1
Other expense (income), net	0.7	0.3	0.1	(0.4)	0.1	0.0	0.1	(0.5)	(0.3)	0.5	0.7	0.8	0.8
Loss on debt extinguishment	-	-	-	-	-	1.6	(1.6)	-	-	-	-	-	-
Provision for (benefit from) income taxes	0.1	0.2	0.3	1.0	1.0	0.2	0.4	(0.3)	0.5	0.9	0.7	(11.9)	(0.6)
Stock-based compensation expense	0.7	0.9	1.1	1.7	2.3	3.6	1.9	2.2	2.6	4.0	3.8	3.8	4.6
Acquisition-related expense	2.4	1.4	1.0	0.7	3.7	2.3	4.3	4.7	3.1	3.1	2.5	10.0	7.7
Purchase accounting deferred revenue discount	0.5	0.4	0.3	0.2	0.7	1.1	1.3	1.4	1.4	1.1	1.1	1.0	0.6
Adjusted EBITDA	**$2.0**	**$2.8**	**$3.6**	**$4.3**	**$5.5**	**$6.8**	**$8.3**	**$9.7**	**$10.8**	**$12.5**	**$13.1**	**$16.7**	**$17.8**

Source: Company Information

We define Adjusted EBITDA as net loss, calculated in accordance with GAAP, plus depreciation and amortization expense, interest expense, net, other expense (income), net, loss on debt extinguishment, provision for income taxes, stock-based compensation expense, acquisition-related expenses, and purchase accounting adjustments for deferred revenue. We believe that Adjusted EBITDA provides useful information to management, investors and others in understanding and evaluating our operating results; however, Adjusted EBITDA should not be considered as an alternative to net loss or any other measure of financial performance calculated and presented in accordance with GAAP and has important limitations as an analytical tool, including that other companies might calculate Adjusted EBITDA or similarly titled measures differently. Because of these limitations, you should consider Adjusted EBITDA together with other financial performance measures, including various cash flow metrics, net loss and our other GAAP results.

Above is a reconciliation of Adjusted EBITDA to net income (loss), the most directly comparable GAAP measure.

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Acquisitions To Date

FEB 2012 **PowerSteering**
Project Portfolio Management

FEB 2012 **Tenrox**
Professional Services Automation

NOV 2012 **EPM Live**
Project & Work Management

MAY 2013 **FileBound**
Document & Workflow Automation

NOV 2013 **ComSci**
IT Financial Management

DEC 2013 **Clickability**
Enterprise Web Content Management

NOV 2014 **Eclipse PPM**
Project & Work Management

DEC 2014 **Mobile Commons**
Enterprise Mobile Messaging & SMS

NOV 2015 **Ultriva**
Supply Chain Management

JAN 2016 **LeadLander**
Website Visitor Analytics & Reporting

MAR 2016 **Hipcricket**
Enterprise Mobile Messaging & SMS

MAY 2016 **API**
Document & Workflow Automation

JAN 2017 **Omtool (AccuRoute)**
Secure Document Capture & Fax

APR 2017 **RightAnswers**
Enterprise Knowledge Management

JUL 2017 **Waterfall**
Enterprise Mobile Messaging & SMS

NOV 2017 **Qvidian**
RFP & Sales Proposal Automation

MAR 2018 **InterFAX**
Enterprise Cloud-Based Fax

JUN 2018 **RO Innovation**
Customer Reference & Sales Enablement

OCT 2018 **Rant & Rave**
Cloud-Based Customer Engagement

DEC 2018 **Adestra**
Email Marketing Automation & Analytics

APR 2019 **Post-Up**
Email Marketing Automation & Analytics

Over the past 2 years, Upland has added >$100mm in ARR through disciplined acquisitions

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