upland

Lenders' Presentation

June 2019

Safe Harbor Statement

This presentation includes “forward-looking statements,” which are subject to substantial risks, uncertainties and assumptions, subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Accordingly, you should not place undue reliance on these forward-looking statements. Forward-looking statements include any statement that does not directly relate to any historical or current fact and often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "seek," "will," "may" or similar expressions. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: our financial performance and our ability to achieve, sustain or increase profitability or predict financial results; our ability to attract and retain customers; our ability to deliver high-quality customer service; lack of demand growth for Enterprise Work Management applications; our ability to effectively manage our growth; our ability to consummate and integrate acquisitions and mergers; maintaining our senior management and key personnel; our ability to maintain and expand our direct sales organization; our ability to obtain financing in the future on acceptable terms or at all; the performance of our resellers; our ability to adapt to changing market conditions and competition; our ability to successfully enter new markets and manage our international expansion; fluctuations in currency exchange rates; the operation and reliability of our third-party data centers and other service providers; and factors that could affect our business and financial results identified in Upland's filings with the Securities and Exchange Commission (the "SEC"), including Upland's most recent 10-K, filed with the SEC on March 15, 2019. Additional information will also be set forth in Upland's future quarterly reports on Form 10-Q, annual reports on Form 10-K and other filings that Upland makes with the SEC. The forward-looking statements herein represent Upland’s views as of the date of this presentation and these views could change. However, while Upland may elect to update these forward-looking statements at some point in the future, Upland specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the views of Upland as of any date subsequent to the date of this presentation.

© 2019 Upland Software, Inc.
upland

Transaction Overview

- Upland Software, Inc. is a leading SaaS-based provider of enterprise work management software delivered via the cloud enabling organizations to automate workflows across customer experience / sales enablement, document lifecycle management and project / IT management
  - $220MM of annualized run-rate revenue, sticky >92% recurring base and no customer or product concentration
  - 37% Adjusted EBITDA(1) margins with consistent, high Adjusted Free Cash Flow conversion of >90% (unlevered)
- On May 13, 2019, Upland successfully closed a public equity offering receiving $151MM in net proceeds, further enhancing the Company's liquidity profile
- Upland is seeking to refinance its existing Term Loan A with a new $350MM 7-year Senior Secured Term Loan B
  - Concurrent with the TLB transaction, Upland intends to issue a new 5-year $30MM Senior Secured Revolving Credit Facility
  - Proceeds from the Term Loan B will be used to refinance existing indebtedness and for general corporate purposes including continued accretive acquisitions
  - Pro forma for the TLB, net leverage will be 2.5x (4.2x total), based on PF LTM 3/31/2019 Adjusted EBITDA(1) of $83MM
- The transaction will improve financial flexibility and liquidity, enhancing the Company's access to capital for continued acquisitive growth, extend its debt maturity profile and potentially reduce interest rates

(1) See slides 36 and 37 for definition and reconciliation of Adjusted EBITDA and PF Adjusted EBITDA.

© 2019 Upland Software, Inc.
upland

Sources & Uses and Pro Forma Capitalization

Sources	($ in millions)
New Revolving Credit Facility	–
New Term Loan B	$350
Total sources	**$350**

Uses	
Repay Term Loan A	$311
Financing fees, expenses and OID	7
Cash to balance sheet	32
Total uses	**$350**

($ in millions)	As of 3/31/2019	Equity Offering + Acquisitions	Pro Forma	Refinancing	Pro Forma
Cash and cash equivalents	$14	$96[1]	$110	$32	$142
$30mm Revolving Credit Facility due Aug 2022[2]	–		–		–
Term Loan A due Aug 2022	281	30	311	(311)	–
New $30mm Revolving Credit Facility due Aug 2024	–		–		–
New Term Loan B due Aug 2026	–		–	350	350
Total debt[3]	**$281**		**$311**		**$350**
Net debt	*267*		*201*		*208*
Market capitalization	$1,100		$1,270[4]		$1,270
Total capitalization	**$1,381**		**$1,581**		**$1,620**
Operating statistics					
LTM 3/31/2019 Adj. EBITDA	$60		$60		$60
PF LTM 3/31/19 run-rate Adj. EBITDA	76	7	83		83
Credit statistics					
Total Debt / PF LTM 3/31/19 run-rate Adj. EBITDA	**3.7x**		**3.7x**		**4.2x**
Net Debt / PF LTM 3/31/19 run-rate Adj. EBITDA	3.5x		2.4x		2.5x
Debt to capitalization	20%		20%		22%

(1) $96MM equal to $151.1MM of net cash proceeds from equity offering less $10MM revolver repayment associated with PostUp acquisition less $45MM cash payment for purchase of Kapost.
(2) Assumes $10MM of Revolving Credit Facility drawn for PostUp acquisition repaid with cash and cash equivalents intra-quarter.
(3) Company has $0.4MM of capital leases and $22.0MM of obligations due to sellers, pro forma for purchase of Kapost, expected to be paid over the next 3 quarters.
(4) Market capitalization as of 6/7/2019.

© 2019 Upland Software, Inc.
upland

Senior Management Attendees



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

© 2019 Upland Software, Inc.

upland

Company Overview

© 2019 Upland Software, Inc.

upland

Upland Software at a Glance



HQ Austin,TX
Started 2012



$25B
TAM(1)

9,000+
Customers

1,300+
Major Accounts(2)
(>$100K Avg. ARR)



$220MM(3)
Annual Revenue Run-Rate

92%(4)
Recurring Revenue

37%(5)
Adjusted EBITDA

98%(6)
Net Dollar Retention Rate

22
Acquisitions to Date

$135MM
Revenue via Acquisitions Since 2016

Source: Company information and management
(1) See slide 16 for breakdown of TAM.
(2) Major account defined as account with >$25K ARR.
(3) Pro-forma total revenue for the Post-Up and Kapost acquisitions, as disclosed in the May 28, 2019 Form 8-K.
(4) Recurring revenue is also known as Subscription and Support revenue.
(5) 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 36 for definition and reconciliation of Adjusted EBITDA.
(6) As disclosed in the March 7, 2019 Form 8-K and March 15, 2019 Form 10-K.

© 2019 Upland Software, Inc.
upland

Upland's Enterprise Work Management Cloud

upland

Automating and Integrating Enterprise Workflows

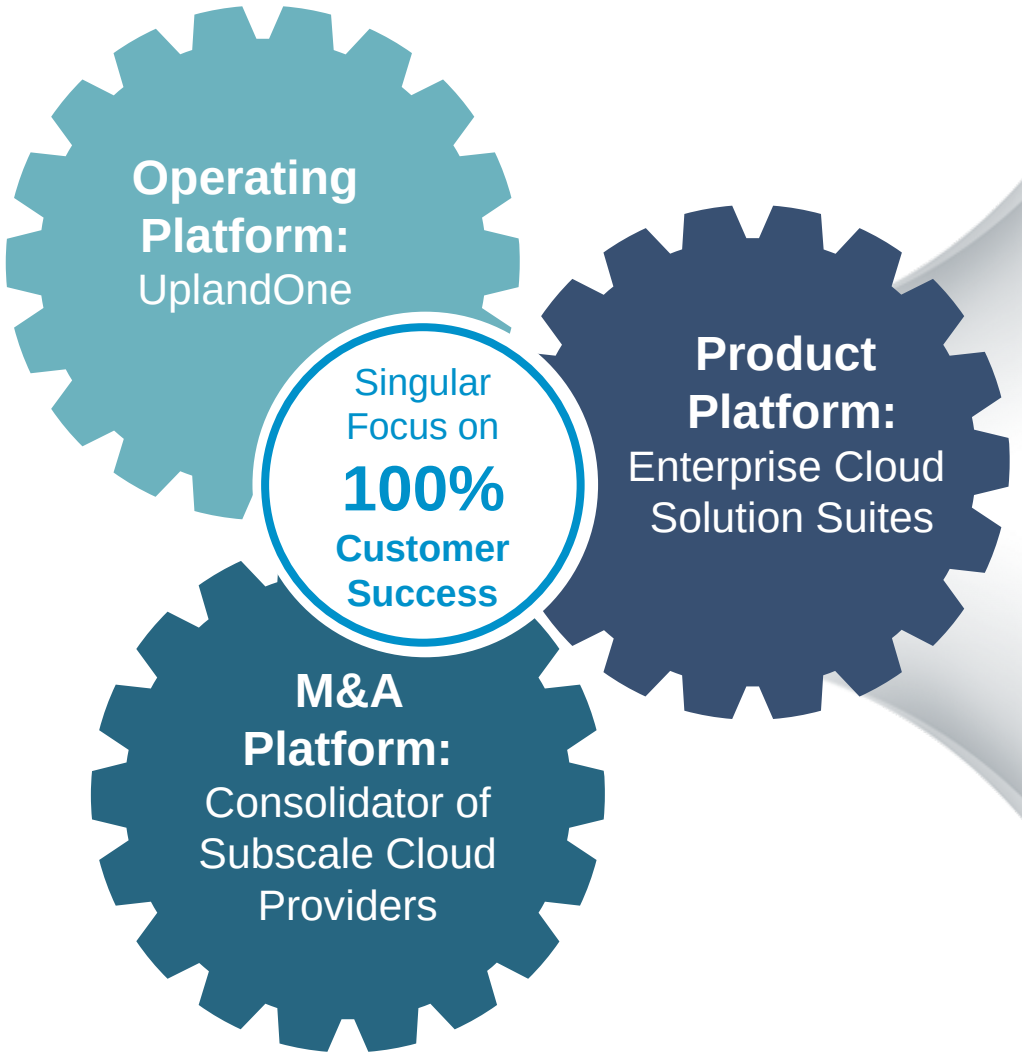
Value Delivered	Enterprise Cloud Solution Suites	
DRIVE REVENUE by delivering outstanding customer experiences and sales productivity	**Sales & Marketing** Customer Experience Management Enterprise Sales Enablement	
REDUCE COSTS by streamlining high-volume processes and ensuring data security and compliance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

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

© 2019 Upland Software, Inc.

upland

3 Key Drivers of the Upland Model



- ü **Acquire thematic, proven cloud products with blue chip customers at highly accretive multiples**
- ü **Integrate and transform businesses with a proven playbook, driving both increased margins + customer satisfaction**
- ü **Primary focus on expanding in existing 9,000+ customers with a unified product**

© 2019 Upland Software, Inc.
upland

Operating Platform: 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 36 for definition and reconciliation of Adjusted EBITDA.

© 2019 Upland Software, Inc.

Product Platform: A Unified Experience Across Suites

ü **Integrated Platform** ü **Seamless Experience** ü **Deep Functionality** ü **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

Enterprise-Grade Cloud Platform

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

Key Third-Party Applications

© 2019 Upland Software, Inc.

upland

M&A Platform: Accretive Transformation of Targets

10-15%
Organic Growth Target

0%
Contribution Margin

1	2
100% Customer Success Best-Practices	**Operational Efficiencies**
Move products to AWS	Eliminate wasteful spend
Common UI/UX + SSO	PSO margins from negative to 40%
24/7 global customer support	Global outsourcing of R&D
Quarterly Virtual User Conferences	Rationalize S&M spend
Executive customer outreach	Minimal capex spend
Customer feedback loop into R&D	Standardized processes, procedures, and templates
Improve product foundations: speed, performance, uptime, security, and scalability	Consolidate vendors and rationalize office space
Added analytics and mobile capabilities	Share best practices throughout organization

5-10%
Organic Growth Target

50%
Contribution Margin Target(1)

(1) Contribution Margin is product level AEBITDA excluding corporate overhead and shared service organization costs. See slide 36 for definition and reconciliation of Adjusted EBITDA.

© 2019 Upland Software, Inc.

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

© 2019 Upland Software, Inc.

upland

Key Credit Highlights

© 2019 Upland Software, Inc.

upland

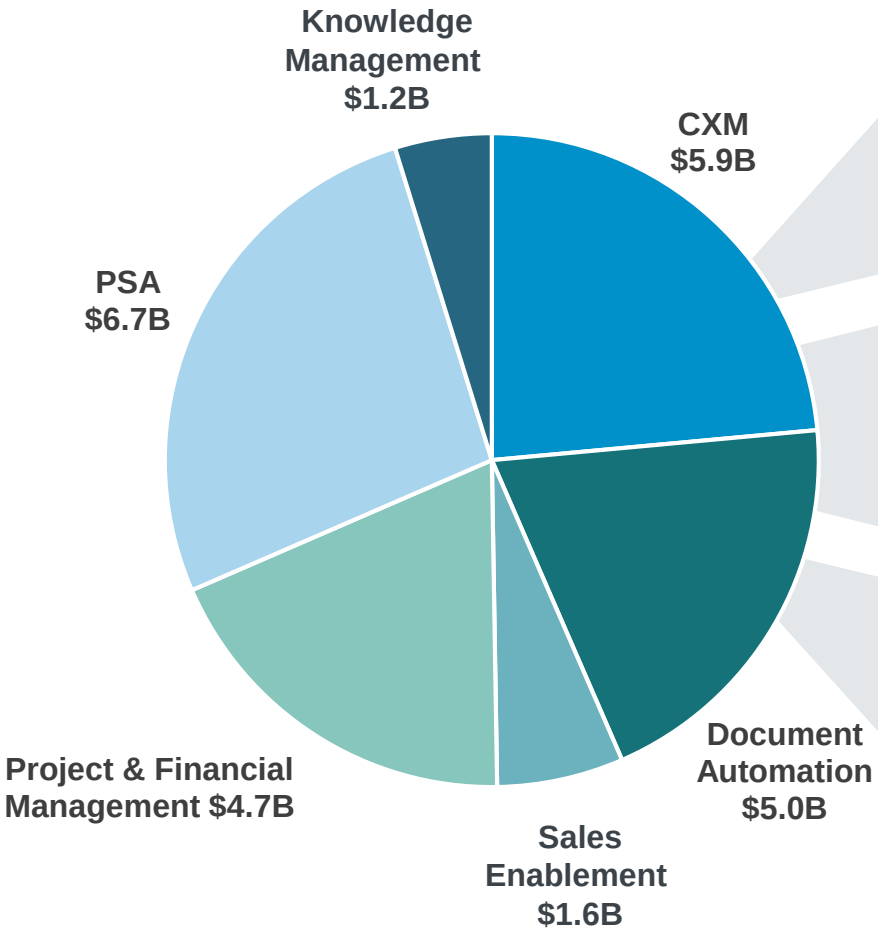
Key Credit Highlights

1. Attractive market opportunity driven by cloud, digital transformation, and VC investment
2. Platform with proven ability to expand in key accounts
3. Diversified customer base with no concentration
4. Highly accretive M&A expanding capabilities and customer base
5. Sticky customer base delivering predictable revenue
6. Capital and tax efficient for profitable growth with strong free cash flow conversion
7. Experienced management team with strong track record of consistent execution

© 2019 Upland Software, Inc.

upland

1 Attractive $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**

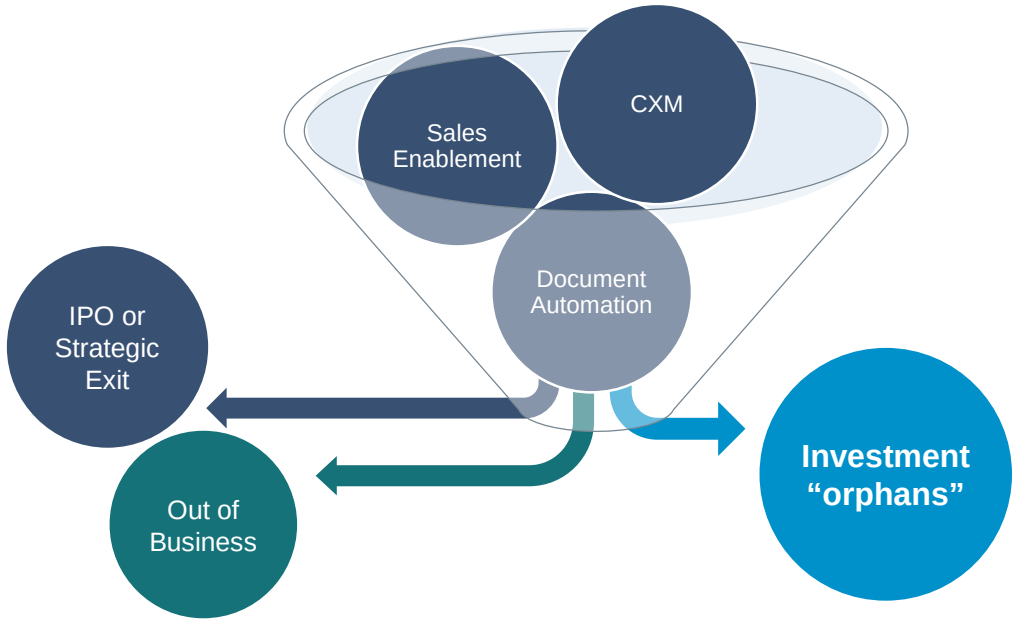
Sources: Gartner Magic Quadrant for Cloud-Based IT Project and Portfolio Management Services; Grand View Research Professional Service Automation (PSA) Software Market Size & Analysis; Apptio S-1; WinterGreen Research Business Process Management (BPM) Cloud, Mobile, and Patterns; Research & Markets Global 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.

© 2019 Upland Software, Inc.

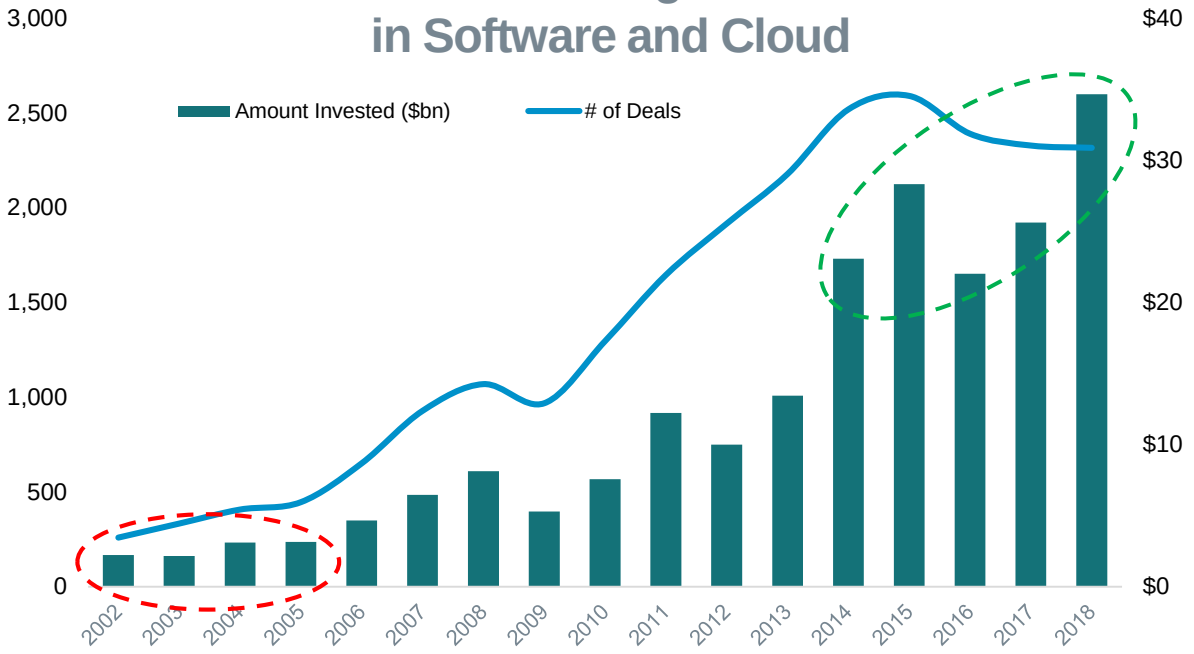
upland

1 Large Opportunity for Cloud M&A Targets

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).

© 2019 Upland Software, Inc.

2 Proven ability to drive strategic relationships

Suite	Customer & Solution	What We Deliver	Results
Sales & Marketing	**Large European IT Services Corporation** *Enterprise Sales Enablement Suite*	**Standardized sales proposals:** n Automate workflows and create brand-compliant RFP packages n Provide easy access to relevant customer references by storing content with intelligent search and analytics	n Reduced proposal response times and improved win-rates n Increased brand compliance and content quality n Improved productivity and increased accuracy of responses
Project & IT Management	**Large Medical Device Manufacturer** *Project and Financial Management Suite*	**Automated project management:** n Accurately track details of IT projects n Centralized framework for demand management, project delivery and financial oversight	n Full financial visibility across IT organization n Deeper insight and analytics into project performance n Improved project success and ROI for IT investments
Document Lifecycle	**Global Financial Services Company** *Secure Document Services Solution Suite*	**Accelerated document processing:** n Streamline review and approval workflows n Easily capture, store and retrieve documents, emails and faxes	n Reduced processing time from days to hours n Significant annual projected savings n Established as the company's global capture standard

Key Metrics

+ Grew from **~100** users in EMEA (2017) to **>750** across US / APAC
+ Starting ARR (2017): ***$26K***
  Current ARR (2018): ***$200K***
  Expansion CAGR: ***+652%***

+ Expanded to **>4,000** users for all IT project & resource planning since 2014
+ Starting ARR (2014): ***$55K***
  Current ARR (2018): ***$724K***
  Expansion CAGR: ***+77%***

+ Expanded usage from **UK** into **EMEA** and **US**
+ Starting ARR (2017): ***$150K***
  Current ARR (2018): ***$300K***
  Expansion CAGR: +***59%***

© 2019 Upland Software, Inc.
upland

3 Diversified Base of Customers

9,000+
Customers with no concentration

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

80%+
Revenue from Major Accounts(1)

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 Publishing, gray, iHeart Radio, The McGraw-Hill Companies, McGraw Hill Education, NBC Universal, SAGE Publishing, StarTribune, Viacom

Manufacturing, Industrial

Abbott, CNH, Duke Energy, Emerson, Eaton, Ingersoll Rand, 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

(1) Major account defined as account with >$25K ARR.

© 2019 Upland Software, Inc.

upland

4 Track Record of Highly Accretive M&A



Goals and Track Record

+ Add $25-$50MM revenue run-rate per year
+ Strong reputation / pipeline
+ CEO has done 42 successful tech acquisitions in 20 years
+ 22 acquisitions to date @ 0.9x-3.3x revs



Strategic Fit

+ Cloud-native
+ Complements solution suites
+ Targets informed by customer feedback
+ Adds to Fortune 2000 and major mid-size customer base
+ US, Canada, EMEA



Financial Fit

+ $5-25MM Revenue
+ Average ARR per Major Account > $25K
+ 10-15% Organic Growth
+ Sticky, with 90%+ Net Dollar Retention Rate
+ 70%+ Gross Margins
+ Target 50% Contribution Margin(1)
+ 5-8x Pro Forma Adj. EBITDA(2)

Source: Company information and management

(1) Contribution Margin is product level AEBITDA excluding corporate overhead and shared service organization costs. See slide 36 for definition and reconciliation of Adjusted EBITDA.

(2) See slide 36 for definition and reconciliation of Adjusted EBITDA.

© 2019 Upland Software, Inc.

upland

4 Expanding Both Suite Capabilities and Customer Base

Recent acquisitions:

October 2018

rant&rave

Provider of cloud-based customer engagement solutions

- Acquired for $58.5MM in cash and a $6.5MM cash holdback payable in 12 months
- **Contributing $21.0MM annual revenue and $9.5MM Adjusted EBITDA(1) once integrated**
- **6.8x PF Adj. EBITDA(1)**
- Largest acquisition to date expands European footprint

Mobile Messaging & CXM Suites

December 2018

adestra

Provider of enterprise-grade email marketing, transaction and automation software

- Acquired for $56.0MM in cash and a $4.2MM cash holdback payable in 12 months
- **Contributing $18.0MM annual revenue and $8.0MM Adjusted EBITDA(1) once integrated**
- **7.5x PF Adj. EBITDA(1)**
- Enhances European presence

Email Marketing & CXM Suites

April 2019

PostUp

Provider of email and audience development solutions for publishing and media brands

- Acquired for $35.0MM
- **Contributing $11.0MM annual revenue and $5.0MM Adjusted EBITDA(1) once integrated**
- **7.0x PF Adj. EBITDA(1)**
- $40.0MM of incremental debt drawn to fund

Audience Development & CXM Suites

May 2019

kapost

Leading content operations platform provider for sales and marketing

- Acquired for $45.0MM in cash and a $5.0MM cash holdback payable in 12 months
- **Contributing $15.0MM annual revenue and $7.0MM Adjusted EBITDA(1) once integrated**
- **7.1x PF Adj. EBITDA(1)**

Enterprise Sales Enablement & CXM Suites

Source: Company information and management

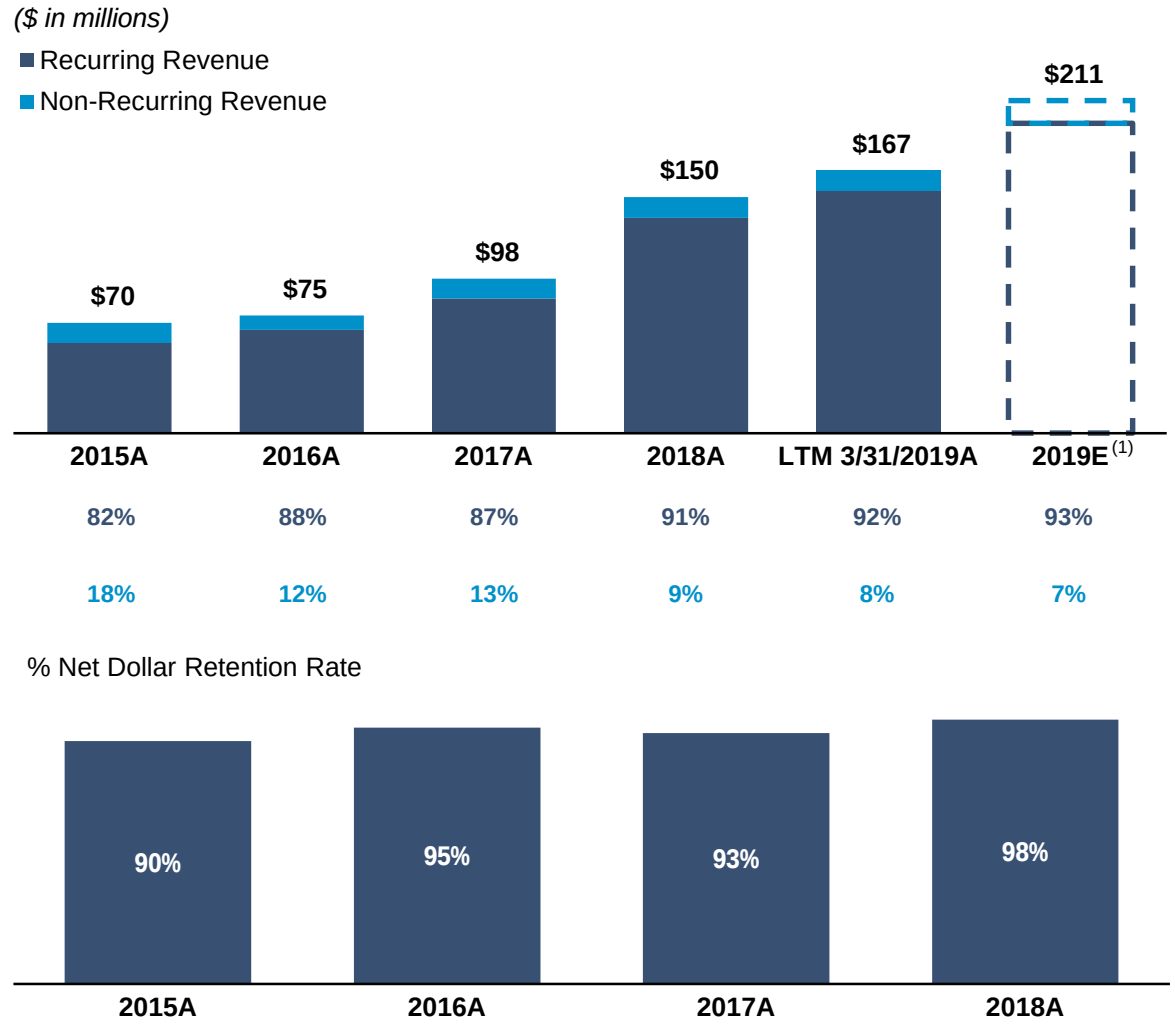
(1) See slide 36 for definition and reconciliation of Adjusted EBITDA.

© 2019 Upland Software, Inc.

upland

5 High Degree of Revenue Stability and Visibility

- 92% recurring revenue
- Diverse suite of products – no concentration in any product or end market
- No customer larger than 3% of total revenue; top 20 customers represent 16%(2)
- Contract terms typically range from one to three years
- Increased Net Dollar Retention Rate to 98%(3), up ~500bps from FY17



Source: Company information and management

(1) Based on the midpoint of Company guidance range for the year ended December 31, 2019 as disclosed in the May 28, 2019 Kapost acquisition announcement.
(2) As of Q1'19A, pro forma for acquisition of PostUp.
(3) As disclosed in the March 7, 2019 Form 8-K and March 15, 2019 Form 10-K.

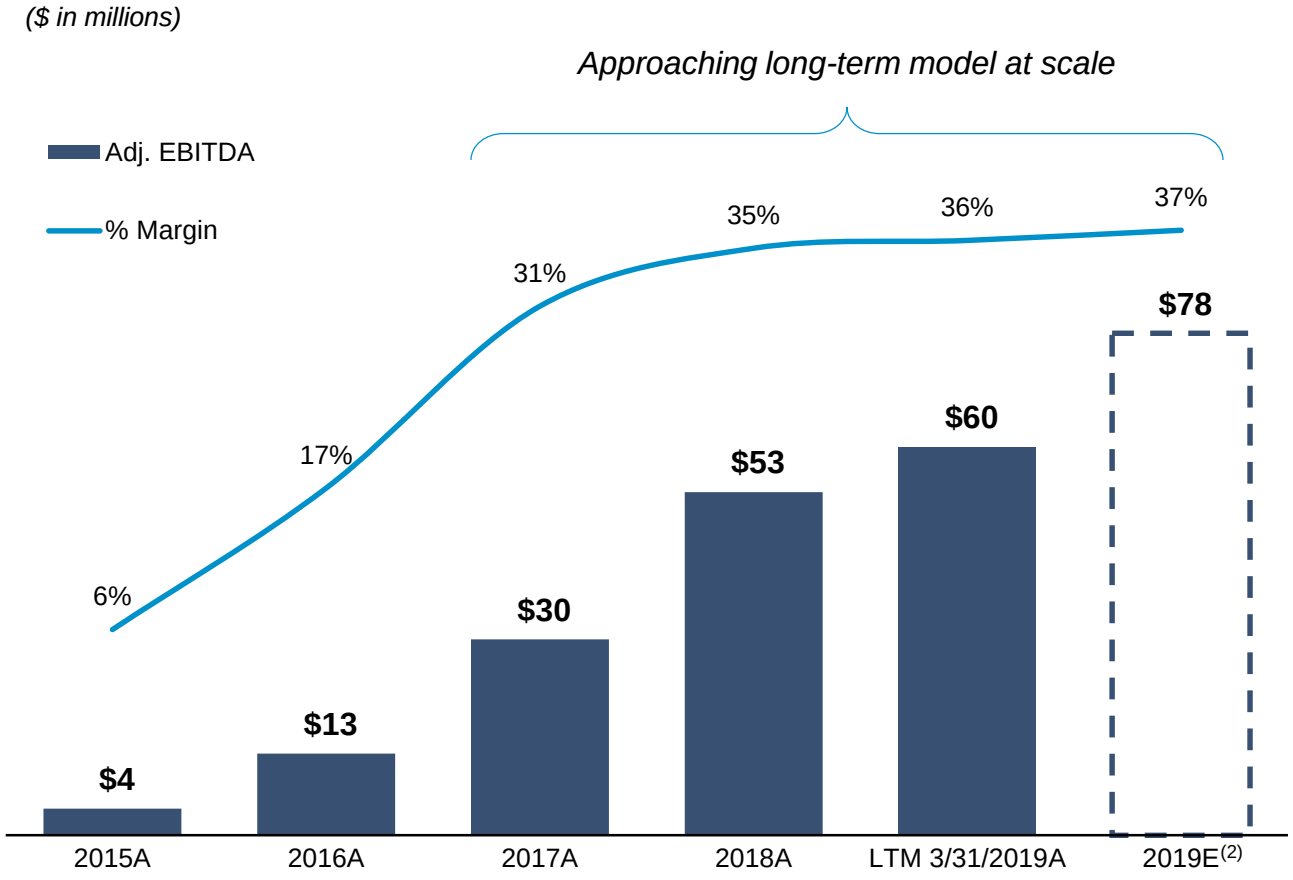
© 2019 Upland Software, Inc.

upland

6 Expanding Adjusted EBITDA margins

- Unique ability to execute and scale driven by UplandOne operating platform
- Track record of strong and consistent Adjusted EBITDA[(1)] growth
- Robust and expanding Adjusted EBITDA[(1)] margins, tracking towards 40% long-term target margin
- One-time acquisition-related expenses for integration will compose a smaller portion of Adjusted EBITDA[(1)] with larger scale

Adjusted EBITDA[(1)] and Margin



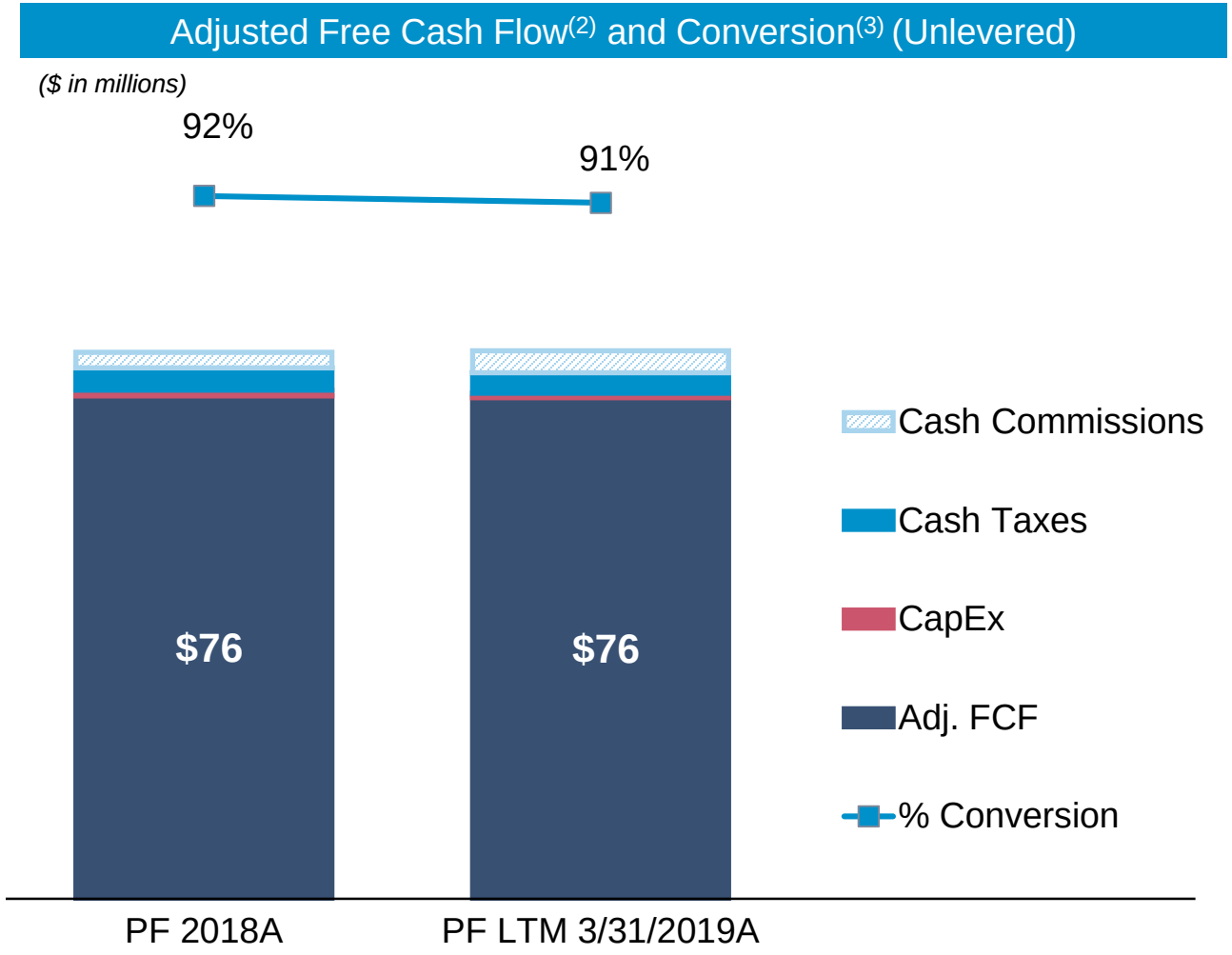
Source: Company information and management.

(1) See slide 36 for definition and reconciliation of Adj. EBITDA.
(2) Based on the midpoint of Company guidance range for the year ended December 31, 2019 as disclosed in the May 28, 2019 Kapost acquisition announcement.

© 2019 Upland Software, Inc.
upland

6 Strong Free Cash Flow Conversion

- 37% Adjusted EBITDA[1] margins driving strong Adjusted Free Cash Flow[2] (unlevered)
- Minimal CapEx requirements
- Tax efficient with ~$135MM of usable NOLs
- Highly cash efficient for consistent >90% Adjusted Free Cash Flow conversion[3] (unlevered)
- M&A strategy accelerates run-rate Free Cash Flow



Source: Company information and management.

(1) See slide 36 for definition and reconciliation of Adj. EBITDA.
(2) Defined as Pro Forma Adj. EBITDA less Capex, Cash Commissions and Cash Taxes, refers to unlevered FCF. See Slide 37 for reconciliation to Pro Forma Adj. EBITDA.
(3) Defined as Adj. Free Cash Flow / Pro Forma Adj. EBITDA.

© 2019 Upland Software, Inc.
upland

7 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



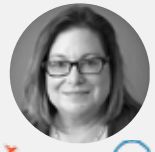
Austin Woody
VP of M&A and Corporate Development

+ 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

© 2019 Upland Software, Inc.

upland

Financial Overview

© 2019 Upland Software, Inc.

Financial Highlights

Capital Stewardship + Value Creation

- ü **32% revenue growth CAGR** (‘15A–’19E)[1] with $220MM scale
- ü **>92% recurring revenue**, growing 62% last year
- ü **98% Net Dollar Retention Rate**[2]
- ü **37% Adjusted EBITDA**[3] **margin** and growing (target 40% at scale)
- ü **High Adjusted FCF conversion:** capital and tax efficient
- ü **Met or beat guidance every quarter since IPO** (19 consecutive quarters)

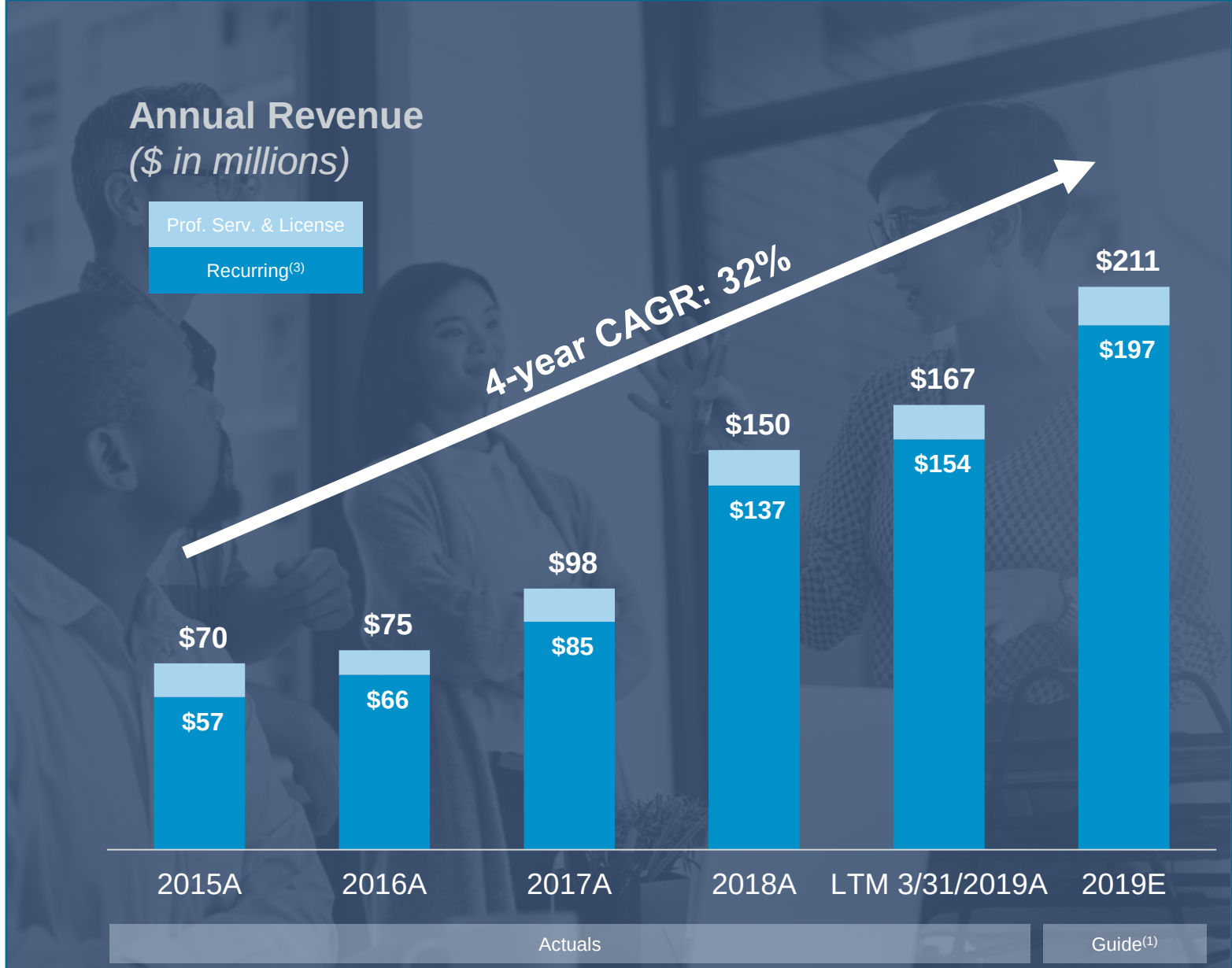
(1) Based on the midpoint of Company guidance range for the year ended December 31, 2019 as disclosed in the Kapost acquisition announcement on May 28, 2019.
(2) As disclosed in the March 7, 2019 Form 8-K and March 15, 2019 Form 10-K.
(3) See slide 36 for definition and reconciliation of Adjusted EBITDA.

© 2019 Upland Software, Inc.

Consistent and Strong Revenue Growth

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 Company guidance range for the year ended December 31, 2019 as disclosed in the May 28, 2019 Kapost acquisition announcement.
(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.

© 2019 Upland Software, Inc.

upland

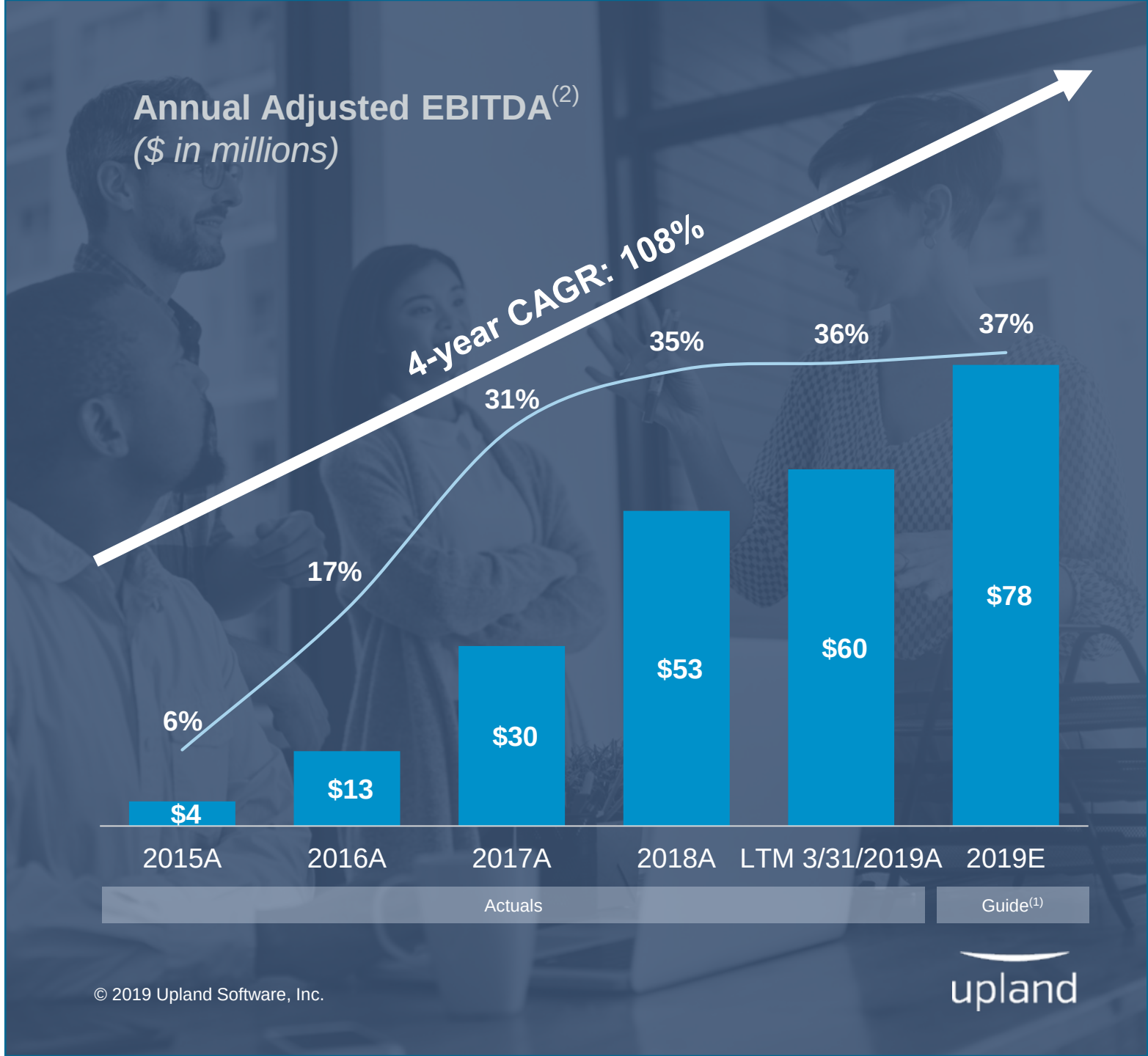
Adjusted EBITDA Growth Trend

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

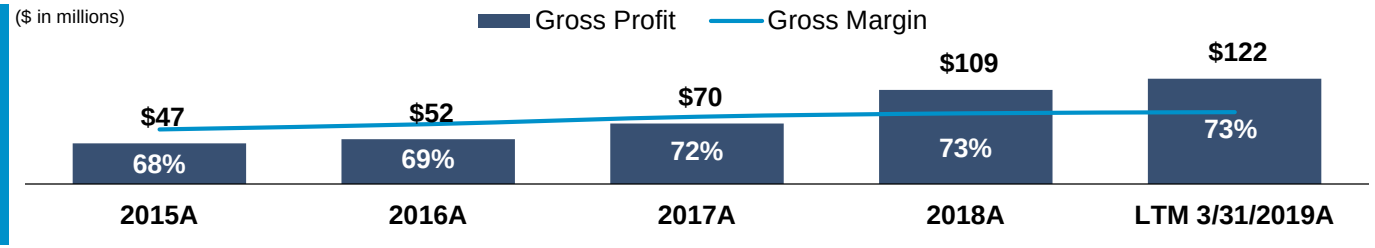
(1) Based on the midpoint of Company guidance range for the year ended December 31, 2019 as disclosed in the May 28, 2019 Kapost acquisition announcement.

(2) See slide 36 for definition and reconciliation of Adjusted EBITDA.

© 2019 Upland Software, Inc.

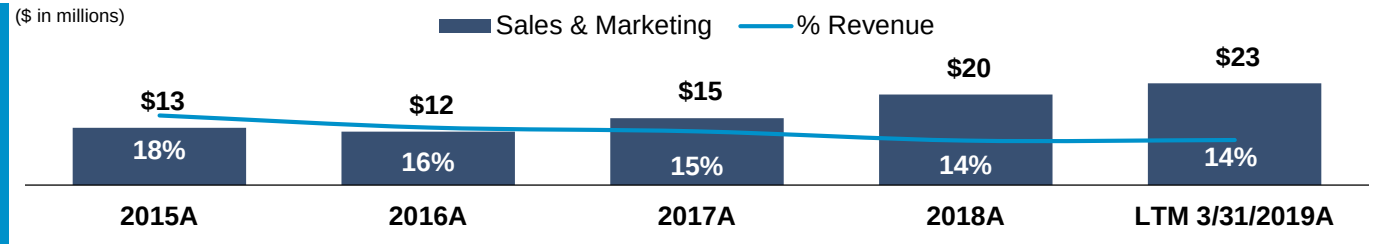
Consistent Improvement in Profitability

Non-GAAP Gross Profit



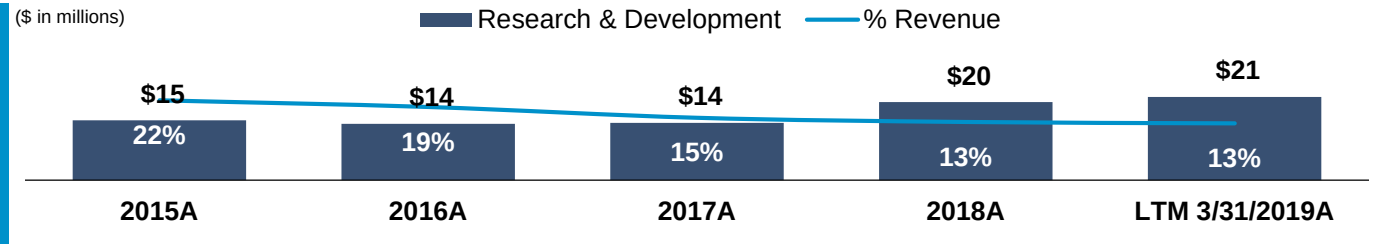
- \+ Consistent expansion in gross margin driven by scale and planned operating efficiencies

Non-GAAP Sales & Marketing Expenses



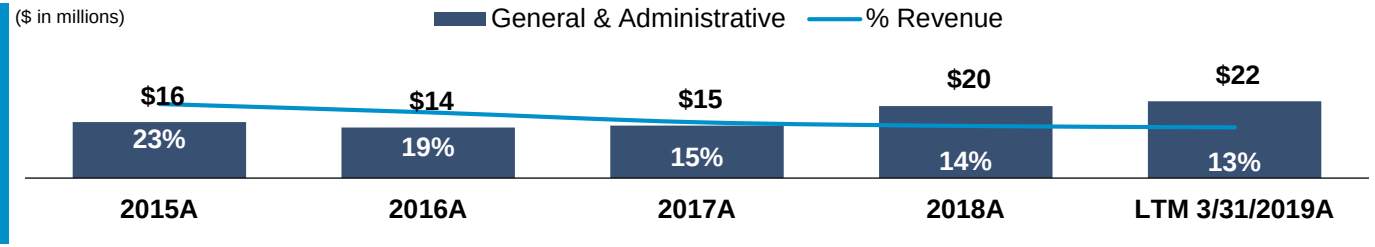
- \+ S&M achieving efficiencies from scale; recently began retaining top sales staff from acquired products
- \+ Evolving S&M motions slowly to maintain margins

Non-GAAP Research & Development Expenses(1)



- \+ R&D processes streamlined for efficient productivity and existing customer driven innovation
- \+ Outsourcing and offshoring to staff with stars globally

Non-GAAP General & Administrative Expenses



- \+ G&A investment in systems, processes and people for scalable growth

Source: Company information and management
Note: Financials exclude stock-based compensation, depreciation and amortization; Non-GAAP gross margin and percentages of revenue based on revenue excluding pro forma adjustments.
(1) Net of R&D tax credits.

© 2019 Upland Software, Inc.
upland

upland

Financial Policy

1. Disciplined, value-oriented M&A strategy driving profitable growth
2. Re-invest all excess free cash flow back into the business to drive growth and delever
3. Comfortable with reasonable net leverage up to 4.0x—long-term target of 3.0x and declining
4. Maintain liquidity and debt capacity for business operations and strategic M&A
5. Willingness to access equity markets to fund M&A when prudent

© 2019 Upland Software, Inc.

Syndication Overview

© 2019 Upland Software, Inc.

upland

Summary Terms: Senior Secured Credit Facility

Borrower:	Upland Software, Inc. (the “Company” or the “Borrower’)	
Use of proceeds:	Repay existing credit facility and for general corporate purposes including continued acquisitive growth	
Facilities:	First Lien Term Loan B (“TLB”)	Revolving Credit Facility (“RCF”)
Size:	$350MM	$30MM
Tenor:	7 years	5 years
Floor:	0.00%	0.00%
Amortization:	1.00% per annum (paid quarterly)	
Call protection:	101 soft call protection for 6 months	
Security:	First priority perfected security interest in substantially all present and future assets of the Borrower and the Guarantors	
Guarantors:	Each of the Borrower’s present and future material direct and indirect subsidiaries (the “Guarantors”)	
Mandatory prepayments:	Customary for facilities of this type, including excess cash flow (50% of excess cash flow with leverage based step-downs to 25% and 0% at 1.0x and 1.5x inside closing-date First Lien Net Leverage, respectively), the net proceeds of asset sales and the issuance of debt securities	
Incremental:	n Greater of (i) $83MM and (ii) 100% of Adjusted EBITDA + unlimited up to 4.00x First Lien Net Leverage Ratio n MFN: 0.50% with a 12-month sunset provision	
Financial covenants:	n TLB: None (Cov-lite) n RCF: Maximum Total Net Leverage Ratio of 6.00x (springing at 35% of the revolving credit commitments)	
Affirmative covenants:	Customary for facilities of this type	
Negative covenants:	Customary for facilities of this type and including limitations on indebtedness, liens, guarantees, mergers and acquisitions, asset sales, restricted payments, transactions with affiliates and investments	
Financial definitions:	The definition of net debt will include a cap on cash netting to be determined	

© 2019 Upland Software, Inc.
upland

Anticipated Transaction Timeline

June 2019

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July 2019

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2019

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Bank holiday

Key dates

Date	Key Event
June 12th	n **Lender Meeting in New York City**
June 26th	n **Commitments due from lenders**
August 5th	n **Close and fund transaction**

© 2019 Upland Software, Inc.

upland

Appendix

© 2019 Upland Software, Inc.

upland

Adjusted EBITDA Reconciliation to Net Income (Loss)

($ in millions)

	3/31/19 TTM
Net Income (Loss)	**$(15.4)**
Depreciation and amortization expense	24.5
Interest expense, net	15.8
Other expense (income), net	2.8
Provision for (benefit from) income taxes	(10.9)
Stock-based compensation expense	16.2
1 Acquisition-related expense	23.3
2 Purchase accounting deferred revenue discount	3.8
Adjusted EBITDA	**$60.1**
3 Pro forma adjustments	23.1
Pro forma Adjusted EBITDA	**$83.2**

1. Acquisition-related expense consists of one-time costs in connection with acquisitions, including legal fees, accounting fees, financing fees, transformation costs, integration costs, and other transactional fees and bonuses that will not be apart of the ongoing go-forward business

2. Purchase accounting adjustments for deferred revenue from acquired targets

3. Pro forma Adjusted EBITDA of acquired targets for the last twelve months not already included in Upland's reported Adjusted EBITDA

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.

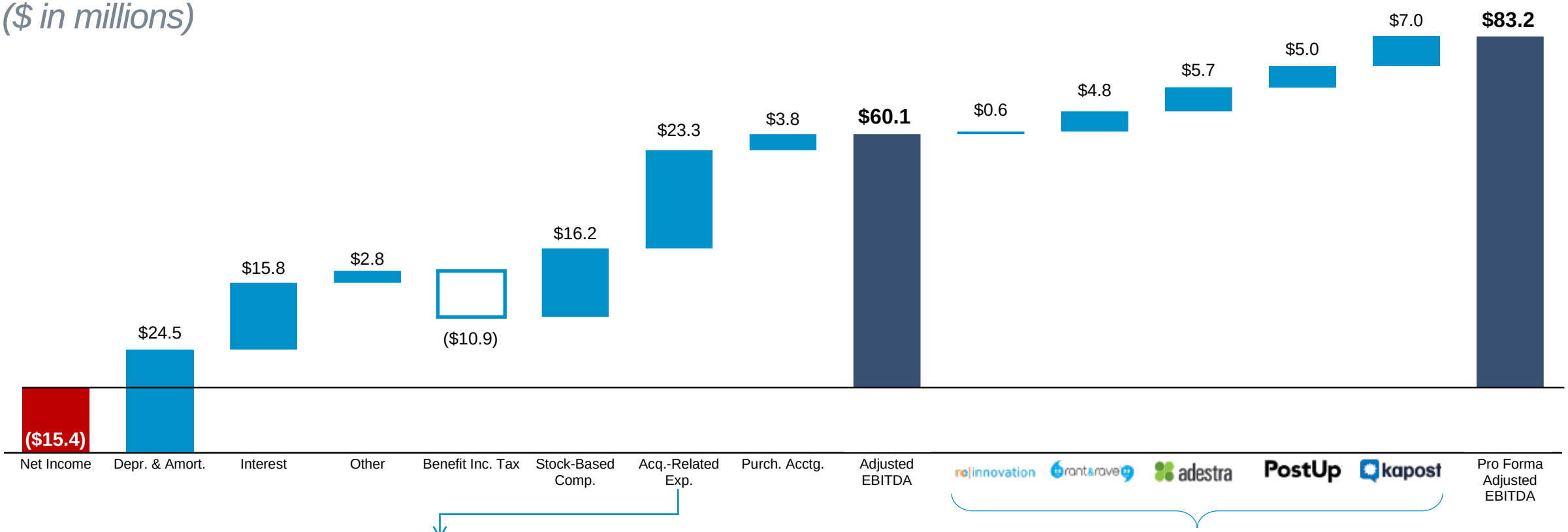
Above is a reconciliation of Adjusted EBITDA to net income (loss), the most directly comparable GAAP measure.

© 2019 Upland Software, Inc.

upland

3/31/19 TTM Pro Forma Adjusted EBITDA Reconciliation

($ in millions)



Acquisition-related expense consists of one-time costs in connection with acquisitions, including legal fees, accounting fees, financing fees, transformation costs, integration costs, and other transactional fees and bonuses that will not be apart of the ongoing go-forward business

Pro forma Adjusted EBITDA of acquired targets for the last twelve months not already included in Upland's reported Adjusted EBITDA

Source: Company Information.

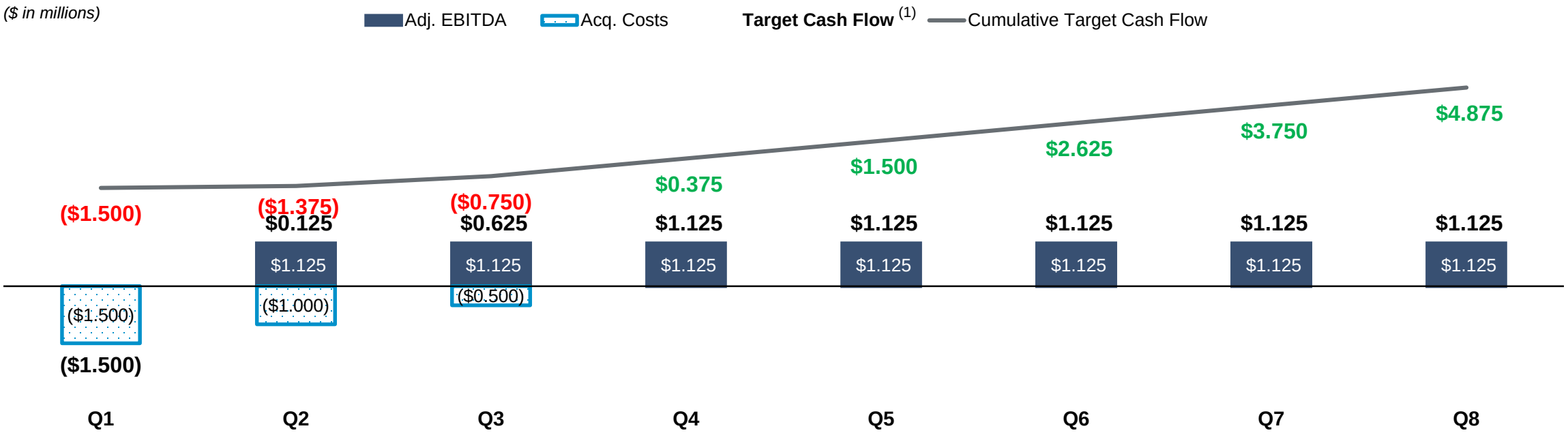
We define Adjusted EBITDA as net loss, calculated in accordance with GAAP, plus depreciation and amortization expense, interest expense, net, other expense (income), net, loss on debt extinguishment, provision for income taxes, stock-based compensation expense, acquisition-related expenses, and purchase 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.

© 2019 Upland Software, Inc.

upland

Prototype Acquisition and Integration



+ Target with $10MM annual revenue and Adjusted EBITDA(2) margins of 45%(3) at product contribution level

+ Temporary acquisition-related expenses (approximately equal to a third of a turn of revenue) are typically phased out once fully integrated within a year of acquisition

Source: Company information and management.

(1) Target Cash Flow Defined as Adjusted EBITDA less acquisition-related expenses.
(2) See slide 36 for definition and reconciliation of Adjusted EBITDA.
(3) 45% product contribution post-acquisition typically takes 3 – 6 months to achieve.

© 2019 Upland Software, Inc.

upland

Upland's History

	2012	2013	2014	2015	2016	2017	2018	2019
Company evolution	**Founded by Jack McDonald**		**~$46MM IPO in Nov 2014**			**Achieved >$100MM annual run-rate revenue**		**Achieved ~$220MM annual run-rate revenue**
Acquisitions	PowerSteering (Feb 2012) Tenrox (Feb 2012) EPMLive (Nov 2012)	FileBound (May 2013) comsci (Nov 2013) Clickability (Dec 2013)	Solution Q Eclipse PPM (Nov 2014) mobile commons (Dec 2014)	ULTRIVA (Nov 2015)	LEADLANDER (Jan 2016) hipcricket (Mar 2016) Advanced Processing Imaging (Apr 2016)	omtool AccuRoute (Jan 2017) rightanswers (Apr 2017) waterfall (Jul 2017) Qvidian (Nov 2017)	interfax (Mar 2018) re|innovation (Jun 2018) rant&rave (Oct 2018) adestra (Dec 2018)	PostUp (Apr 2019) kapost (Jun 2019)

Upland has completed 22 acquisitions to date, 16 as a public company

© 2019 Upland Software, Inc.

upland

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

MAY 2019 **Kapost**
Content Operations Platform

Upland has added >$135MM in revenue through disciplined acquisitions since 2016

© 2019 Upland Software, Inc.
upland

Thank You

upland