

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 9, 2022

Everbridge, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37874
(Commission
File Number)

26-2919312
(IRS Employer
Identification No.)

25 Corporate Drive, Suite 400, Burlington, Massachusetts
(Address of principal executive offices)

01803
(Zip Code)

Registrant's telephone number, including area code: (818) 230-9700

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	EVBG	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On May 9, 2022, Everbridge, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended March 31, 2022. The Company’s press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information included in Item 2.02 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 2.05 Costs Associated with Exit or Disposal Activities.

On May 3, 2022, the Board of Directors of the Company approved a program (the “2022 Strategic Realignment”) to strategically realign the Company’s resources in order to accelerate and grow the Company’s investments in the Company’s largest growth opportunities while streamlining the Company’s operations. This program is in support of the 2022 strategic initiatives to simplify the Company’s business and accelerate the integration of recent acquisitions, and will help to drive the financial outcomes of sustainable growth and improved profitability and cash flow. The 2022 Strategic Realignment program includes a targeted realignment and reduction of headcount, facilities and other third-party spend.

The 2022 Strategic Realignment charges will result in future cash expenditures of approximately \$13 million to \$21 million the majority of which the Company expects to be paid during fiscal 2022 with the remainder paid through fiscal 2028. The 2022 Strategic Realignment is expected to be substantially completed by the first half of fiscal 2023. The Company expects to record approximately \$5 million to \$9 million in restructuring charges associated with the 2022 Strategic Realignment, including employee termination benefits, costs to consolidate facilities and other costs. The Company also expects to incur \$8 million to \$12 million in business transformation costs associated with the 2022 Strategic Realignment, including employee retention costs, professional fees and investments in automation and technology.

Forward-Looking Statements

This Item 2.05 includes forward-looking statements. All statements other than statements of historical facts, the estimated restructuring and restructuring-related charges associated with, and the time frame for completion of, the 2022 Strategic Realignment are forward-looking statements. These forward-looking statements are based on management’s beliefs and assumptions and on information available to management as of the date they are made and inherently involve significant risks and uncertainties. The Company’s actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties. These and other risks and uncertainties that could affect the Company’s future results are included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 25, 2022, which is available at www.ir.everbridge.com and on the SEC’s website at www.sec.gov. Further information on potential risks that could affect actual results will be included in other filings the Company makes with the SEC from time to time.

The forward-looking statements in this report reflect the Company’s expectations as of the date hereof. The Company undertakes no obligation to update publicly any forward-looking statements in this Item 2.05 for any reason after the date of this Form 8-K to conform these statements to actual results or to changes in the Company’s expectations.

Item 7.01 Regulation FD Disclosure.

On May 9, 2022, the Company issued a press release announcing its financial results for the quarter ended March 31, 2022 and posted supplementary slides regarding the Company’s financial results for the first quarter of fiscal 2022 ended March 31, 2022 on the Company’s investor relations website at <https://ir.everbridge.com>. The supplementary slides are furnished as Exhibit 99.2.

The information included in Item 7.01 of this Current Report on Form 8-K and Exhibits 99.1 and 99.2 attached hereto are being furnished and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release dated May 9, 2022
99.2	Supplementary Slides: Everbridge Investor Presentation 1Q FY22 – May 9, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Everbridge, Inc.

Dated: May 9, 2022

By: /s/ Elliot J. Mark

Elliot J. Mark

Senior Vice President, General Counsel and Secretary

Everbridge Announces Strong First Quarter Financial Results

First Quarter Revenue and Adjusted EBITDA Exceed High-End of Guidance

Burlington, Mass – May 9, 2022 – Everbridge, Inc. (NASDAQ: EVBG), the global leader in critical event management (CEM) and national public warning solutions, today announced its financial results for the first quarter ended March 31, 2022.

“We delivered continued momentum across our strategic CEM bundles for the use cases of Business Operations, People Resilience, Digital Operations and Smart Security, and experienced an increased network effect from our Public Safety solution bundle in regions around the world,” said Vernon Irvin, co-Chief Executive Officer and Chief Revenue Officer of Everbridge. “We are seeing early evidence that the actions we took last quarter to streamline, integrate, and reduce complexity in our key offerings are paying off.”

Patrick Brickley, co-Chief Executive Officer and Chief Financial Officer of Everbridge, added, “Demand for our CEM technology drove healthy year-over-year growth in average selling prices and the number of six-figure deals. To help us better focus and execute on these demand trends, we are undertaking a strategic realignment of resources to help drive sustainable revenue growth with a meaningful increase in profitability and positive cash flow through 2022 and beyond.”

First Quarter 2022 Financial Highlights

- Total revenue was \$100.4 million, an increase of 22% compared to \$82.2 million for the first quarter of 2021.
- GAAP operating loss was \$(19.2) million, compared to a GAAP operating loss of \$(18.2) million for the first quarter of 2021.
- Non-GAAP operating loss was \$(1.6) million, compared to non-GAAP operating income of \$2.3 million for the first quarter of 2021.
- GAAP net loss was \$(19.1) million, compared to \$(21.8) million for the first quarter of 2021. GAAP net loss per share was \$(0.48), based on 39.4 million basic and diluted weighted average common shares outstanding, compared to \$(0.60) for the first quarter of 2021, based on 36.4 million basic and diluted weighted average common shares outstanding.
- Non-GAAP net loss was \$(0.6) million, compared to non-GAAP net income of \$8.0 million in the first quarter of 2021. Non-GAAP diluted net loss per share was \$(0.02), based on 39.4 million diluted weighted average common shares outstanding, compared to non-GAAP diluted net income per share of \$0.18 for the first quarter of 2021, based on 43.6 million diluted weighted average common shares outstanding.
- Adjusted EBITDA was \$2.6 million, compared to \$5.3 million in the first quarter of 2021.
- Cash flow from operations was an inflow of \$7.7 million, compared to an inflow of \$19.8 million for the first quarter of 2021.
- Free cash flow was an inflow of \$1.5 million compared to an inflow of \$15.5 million for the first quarter of 2021.

Recent Business Highlights

- Ended the first quarter with 6,224 global enterprise customers, up from 5,748 at the end of the first quarter of 2021.
 - Awarded contracts by two of the largest German mobile network operators (MNOs) to deliver Cell Broadcast emergency alerting capabilities to help power the German government’s nationwide public warning system.
 - Unveiled a unique collaboration bringing together AWS, Sinch, and Kaleyra, among other technology leaders, to offer an out-of-band critical communications platform to support humanitarian efforts in Ukraine.
 - Partnered with Atalait, a leading managed technology services integrator, to deliver enterprise resilience capabilities to organizations across Mexico, leading to wins with international healthcare provider BUPA México Compañía de Seguros S.A. de C.V and leading health services administrator Vitamédica S.A de C.V / Vitamédica Administradora S.A. de C.V., among others.
 - Reflecting network effects, after having already won Saudi Arabia’s countrywide public warning system, Everbridge entered a contract to support Saudi Arabia’s future-planned “smart city,” named NEOM, leveraging Everbridge’s Smart Security capabilities to keep Saudi Arabia’s locals, visitors, and assets safe in the face of potential threats.
 - Recognized by Frost & Sullivan for innovative leadership in earning the top spot in the Frost Radar™: Command and Control Software for Critical National Infrastructure (CNI), Airports, and Safe Cities, Global, 2021.
 - Awarded for Best Global Culture and Best Product & Design Teams by leading workplace culture site Comparably.
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Strategic Realignment

Everbridge's Board of Directors has approved a strategic realignment program as part of the Company's effort to accelerate its product and go-to-market integration. This program will help the company realign and optimize resources to drive the top priorities that will better position Everbridge for sustainable growth and an even stronger global presence over the long term. The Company anticipates the strategic realignment program to drive annualized savings of \$13 million to \$18 million, with \$13 million to \$21 million in charges associated with these actions.

Financial Outlook

Based on information available as of today, Everbridge is issuing guidance for the second quarter and full year 2022 as indicated below.

	Second Quarter 2022				Full Year 2022			
Revenue	\$	101.8	to	\$ 102.2	\$	428.2	to	\$ 432.8
Revenue growth		17%		18%		16%		17%
GAAP net loss	\$	(46.0)	\$	(45.0)	\$	(135.0)	\$	(133.0)
GAAP net loss per share	\$	(1.18)	\$	(1.15)	\$	(3.38)	\$	(3.33)
Non-GAAP net income (loss)	\$	(5.2)	\$	(4.2)	\$	10.7	\$	12.7
Non-GAAP net income (loss) per share	\$	(0.13)	\$	(0.11)	\$	0.23	\$	0.27
Adjusted EBITDA	\$	(1.0)	\$	-	\$	33.5	\$	35.5

	Full Year 2022 Guidance Issued Feb 24th, 2022			
Revenue	\$	426.0	to	\$ 432.0
Revenue growth		15%		17%
GAAP net loss	\$	(141.0)	\$	(139.0)
GAAP net loss per share	\$	(3.55)	\$	(3.50)
Non-GAAP net income per share	\$	10.2	\$	12.2
Non-GAAP net income per share	\$	0.22	\$	0.26
Adjusted EBITDA	\$	33.0	\$	35.0

(All figures in millions, except per share data)

Conference Call Information

What: Everbridge First Quarter 2022 Financial Results Conference Call
When: Monday, May 9, 2022
Time: 4:30 p.m. ET
Live Call: (833) 685-0904, domestic
(412) 317-5740, international
Replay: (877) 344-7529, passcode 9087340, domestic
(412) 317-0088, passcode 9087340, international
Webcast (live & replay): <https://edge.media-server.com/mmc/p/frbjpbjf>

About Everbridge

Everbridge, Inc. (NASDAQ: EVBG) is a global software company that provides enterprise software applications that automate and accelerate organizations' operational response to critical events in order to Keep People Safe and Organizations Running™. During public safety threats such as active shooter situations, terrorist attacks or severe weather conditions, as well as critical business events including IT outages, cyber-attacks, product recalls or supply-chain interruptions, over 6,200 customers in 76 countries rely on the Company's Critical Event Management Platform to quickly and reliably aggregate and assess threat data, locate people at risk and responders able to assist, automate the execution of pre-defined communications processes through the secure delivery to over 100 different communication modalities, and track progress on executing response plans. For more information, visit www.everbridge.com, read the company [blog](#), and follow on [Twitter](#) and [Facebook](#).

Non-GAAP Financial Measures

This press release contains the following non-GAAP financial measures: non-GAAP cost of revenue, non-GAAP gross profit, non-GAAP gross margin, non-GAAP sales and marketing, non-GAAP research and development, non-GAAP general and administrative,

non-GAAP operating expenses, non-GAAP operating income/(loss), non-GAAP net income/(loss), non-GAAP net income/(loss) per share, adjusted EBITDA, and free cash flow.

Non-GAAP operating income/(loss) excludes stock-based compensation, change in fair value of contingent consideration and amortization of acquired intangible assets. Non-GAAP net income/(loss) excludes stock-based compensation, change in fair value of contingent consideration, amortization of acquired intangible assets, accretion of interest on convertible senior notes, gain/(loss) on extinguishment of debt and capped call modification and the tax impact of such adjustments. Adjusted EBITDA represents net income/(loss) before interest income and interest expense, income tax expense and benefit, depreciation and amortization expense, gain/(loss) on extinguishment of debt and capped call modification, change in fair value of contingent consideration and stock-based compensation expense. Free cash flow is cash flow from operations, less cash used for capital expenditures and additions to capitalized software development costs.

We believe that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Everbridge's financial condition and results of operations. We use these non-GAAP measures for financial, operational and budgetary decision-making purposes, to understand and evaluate our core operating performance and trends, and to generate future operating plans. We believe that these non-GAAP financial measures provide useful information regarding past financial performance and future prospects, and permit us to more thoroughly analyze key financial metrics used to make operational decisions. We believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with other software companies, many of which present similar non-GAAP financial measures to investors.

We do not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in the Company's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents non-GAAP financial measures in connection with GAAP results. We urge investors to review the reconciliation of our non-GAAP financial measures to the comparable GAAP financial measures, which are included in this press release, and not to rely on any single financial measure to evaluate our business.

Cautionary Language Concerning Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding the anticipated opportunity and trends for growth in our critical communications and enterprise safety applications and our overall business, our market opportunity, our expectations regarding sales of our products, our goal to maintain market leadership and extend the markets in which we compete for customers, and our expected financial results for the second quarter of 2022 and the full fiscal year 2022. These forward-looking statements are made as of the date of this press release and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the ability of our products and services to perform as intended and meet our customers' expectations; our ability to attract new customers and retain and increase sales to existing customers; our ability to increase sales of our Mass Notification application and/or ability to increase sales of our other applications; our ability to successfully integrate businesses and assets that we have acquired or may acquire in the future; the impact of the global COVID-19 pandemic on our operations and those of our customers and suppliers; developments in the market for targeted and contextually relevant critical communications or the associated regulatory environment; our estimates of market opportunity and forecasts of market growth may prove to be inaccurate; we have not been profitable on a consistent basis historically and may not achieve or maintain profitability in the future; the lengthy and unpredictable sales cycles for new customers; nature of our business exposes us to inherent liability risks; our ability to attract, integrate and retain qualified personnel; our ability to maintain successful relationships with our channel partners and technology partners; our ability to manage our growth effectively; our ability to respond to competitive pressures; potential liability related to privacy and security of personally identifiable information; our ability to protect our intellectual property rights, and the other risks detailed in our risk factors discussed in filings with the U.S. Securities and Exchange Commission ("SEC"), including but not limited to our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022 and our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on February 25, 2022. The forward-looking statements included in this press release represent our views as of the date of this press release. We undertake no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

Consolidated Balance Sheets
(in thousands)
(unaudited)

	March 31, 2022	December 31, 2021
Current assets:		
Cash and cash equivalents	\$ 492,054	\$ 488,035
Restricted cash	2,088	3,880
Accounts receivable, net	109,484	120,995
Prepaid expenses	16,512	13,740
Deferred costs and other current assets	28,277	28,469
Total current assets	648,415	655,119
Property and equipment, net	12,521	12,185
Capitalized software development costs, net	24,501	22,720
Goodwill	525,264	531,163
Intangible assets, net	208,871	219,319
Restricted cash	867	843
Prepaid expenses	1,591	1,916
Deferred costs and other assets	36,268	35,750
Total assets	\$ 1,458,298	\$ 1,479,015
Current liabilities:		
Accounts payable	\$ 9,990	\$ 16,002
Accrued payroll and employee related liabilities	34,839	36,725
Accrued expenses	16,509	13,884
Deferred revenue	235,726	223,579
Convertible senior notes	8	8
Other current liabilities	14,281	14,132
Total current liabilities	311,353	304,330
Long-term liabilities:		
Deferred revenue, noncurrent	10,083	14,261
Convertible senior notes	809,690	665,695
Deferred tax liabilities	5,070	16,082
Other long-term liabilities	14,363	15,958
Total liabilities	1,150,559	1,016,326
Stockholders' equity:		
Common stock	40	39
Additional paid-in capital	675,984	853,664
Accumulated deficit	(360,023)	(388,112)
Accumulated other comprehensive loss	(8,262)	(2,902)
Total stockholders' equity	307,739	462,689
Total liabilities and stockholders' equity	\$ 1,458,298	\$ 1,479,015

Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended March 31,	
	2022	2021
Revenue	\$ 100,375	\$ 82,210
Cost of revenue	31,857	25,280
Gross profit	68,518	56,930
	68.26%	69.25%
Operating expenses:		
Sales and marketing	41,816	34,527
Research and development	23,559	18,079
General and administrative	22,336	22,562
Total operating expenses	87,711	75,168
Operating loss	(19,193)	(18,238)
Other expense, net:		
Interest and investment income	62	133
Interest expense	(1,300)	(6,560)
Loss on extinguishment of convertible notes and capped call modification	—	(2,888)
Other income (expense), net	280	(49)
Total other expense, net	(958)	(9,364)
Loss before income taxes	(20,151)	(27,602)
Benefit from income taxes	1,078	5,813
Net loss	\$ (19,073)	\$ (21,789)
Net loss per share attributable to common stockholders:		
Basic	\$ (0.48)	\$ (0.60)
Diluted	\$ (0.48)	\$ (0.60)
Weighted-average common shares outstanding:		
Basic	39,429,686	36,386,819
Diluted	39,429,686	36,386,819
Other comprehensive loss:		
Foreign currency translation adjustment	(5,360)	(2,597)
Total comprehensive loss	\$ (24,433)	\$ (24,386)

Stock-based compensation expense included in the above:
(in thousands)

	Three Months Ended March 31,	
	2022	2021
Cost of revenue	\$ 817	\$ 999
Sales and marketing	1,295	3,742
Research and development	1,723	2,028
General and administrative	2,249	5,916
Total stock-based compensation	\$ 6,084	\$ 12,685

Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net loss	\$ (19,073)	\$ (21,789)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	15,434	10,843
Amortization of deferred costs	3,963	3,722
Deferred income taxes	(6,553)	(6,701)
Accretion of interest on convertible senior notes	1,158	6,313
Loss on extinguishment of convertible notes and capped call modification	—	2,888
Provision for credit losses and sales reserve	213	1,562
Stock-based compensation	6,084	12,685
Other non-cash adjustments	(52)	(147)
Changes in operating assets and liabilities:		
Accounts receivable	11,420	11,482
Prepaid expenses	(2,447)	(1,221)
Deferred costs	(6,221)	(3,450)
Other assets	1,819	(2,768)
Accounts payable	(6,124)	(911)
Accrued payroll and employee related liabilities	(1,862)	(2,130)
Accrued expenses	3,246	3,012
Deferred revenue	8,036	8,373
Other liabilities	(1,339)	(1,955)
Net cash provided by operating activities	7,702	19,808
Cash flows from investing activities:		
Capital expenditures	(1,847)	(1,812)
Payments for acquisition of business, net of acquired cash	(47)	(32,401)
Additions to capitalized software development costs	(4,330)	(2,495)
Net cash used in investing activities	(6,224)	(36,708)
Cash flows from financing activities:		
Proceeds from issuance of convertible notes	—	375,000
Payments of debt issuance costs	—	(9,562)
Purchase of convertible notes capped call hedge	—	(35,100)
Repurchase of convertible notes	—	(58,641)
Proceeds from termination of convertible notes capped call hedge	—	10,650
Stock award shares withheld to settle employee tax withholding liability	(571)	(1,610)
Proceeds from employee stock purchase plan	1,702	2,451
Proceeds from stock option exercises	17	1,604
Other	(19)	—
Net cash provided by financing activities	1,129	284,792
Effect of exchange rates on cash, cash equivalents and restricted cash	(356)	(315)
Net increase in cash, cash equivalents and restricted cash	2,251	267,577
Cash, cash equivalents and restricted cash—beginning of period	492,758	475,630
Cash, cash equivalents and restricted cash—end of period	\$ 495,009	\$ 743,207

Reconciliation of GAAP measures to non-GAAP measures
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended March 31,	
	2022	2021
Cost of revenue	\$ 31,857	\$ 25,280
Amortization of acquired intangibles	(3,151)	(2,604)
Stock-based compensation	(817)	(999)
Non-GAAP cost of revenue	\$ 27,889	\$ 21,677
Gross profit	\$ 68,518	\$ 56,930
Amortization of acquired intangibles	3,151	2,604
Stock-based compensation	817	999
Non-GAAP gross profit	\$ 72,486	\$ 60,533
Non-GAAP gross margin	72.2%	73.6%
Sales and marketing	\$ 41,816	\$ 34,527
Stock-based compensation	(1,295)	(3,742)
Non-GAAP sales and marketing	\$ 40,521	\$ 30,785
Research and development	\$ 23,559	\$ 18,079
Stock-based compensation	(1,723)	(2,028)
Non-GAAP research and development	\$ 21,836	\$ 16,051
General and administrative	\$ 22,336	\$ 22,562
Amortization of acquired intangibles	(8,387)	(5,255)
Change in fair value of contingent consideration	52	(42)
Stock-based compensation	(2,249)	(5,916)
Non-GAAP general and administrative	\$ 11,752	\$ 11,349
Total operating expenses	\$ 87,711	\$ 75,168
Amortization of acquired intangibles	(8,387)	(5,255)
Change in fair value of contingent consideration	52	(42)
Stock-based compensation	(5,267)	(11,686)
Non-GAAP operating expenses	\$ 74,109	\$ 58,185
Operating loss	\$ (19,193)	\$ (18,238)
Amortization of acquired intangibles	11,538	7,859
Change in fair value of contingent consideration	(52)	42
Stock-based compensation	6,084	12,685
Non-GAAP operating income (loss)	\$ (1,623)	\$ 2,348
Net loss	\$ (19,073)	\$ (21,789)
Amortization of acquired intangibles	11,538	7,859
Change in fair value of contingent consideration	(52)	42
Stock-based compensation	6,084	12,685
Accretion of interest on convertible senior notes	1,158	6,313
Loss on extinguishment of convertible notes and capped call modification	—	2,888
Income tax adjustments	(250)	(36)
Non-GAAP net income (loss)	\$ (595)	\$ 7,962
Non-GAAP net income (loss) per share:		
Basic	\$ (0.02)	\$ 0.22
Diluted	\$ (0.02)	\$ 0.18
Weighted-average common shares outstanding:		
Basic	39,429,686	36,386,819
Diluted	39,429,686	43,554,183

Reconciliation of GAAP measures to non-GAAP measures (Continued)
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2022	2021
Net loss	\$ (19,073)	\$ (21,789)
Interest and investment expense, net	1,238	6,427
Benefit from income taxes	(1,078)	(5,813)
Depreciation and amortization	15,434	10,843
EBITDA	(3,479)	(10,332)
Loss on extinguishment of convertible notes and capped call modification	—	2,888
Change in fair value of contingent consideration	(52)	42
Stock-based compensation	6,084	12,685
Adjusted EBITDA	\$ 2,553	\$ 5,283
Net cash provided by operating activities	\$ 7,702	\$ 19,808
Capital expenditures	(1,847)	(1,812)
Capitalized software development costs	(4,330)	(2,495)
Free cash flow	\$ 1,525	\$ 15,501

Remaining Performance Obligations as of March 31, 2022
(in millions)

	Remaining Performance Obligations	Remaining Performance Obligations Next Twelve Months
Subscription and other contracts	\$ 450	\$ 285
Professional services contracts	19	17

Financial Outlook
(in millions, except share and per share data)

	Three Months Ended June 30, 2022		Year Ended December 31, 2022	
	Low End	High End	Low End	High End
Net loss	\$ (46.0)	\$ (45.0)	\$ (135.0)	\$ (133.0)
Amortization of acquired intangibles	11.0	11.0	42.0	42.0
Accretion of interest on convertible senior notes	1.3	1.3	5.2	5.2
Strategic realignment	6.5	6.5	16.5	16.5
Stock-based compensation	22.0	22.0	82.0	82.0
Non-GAAP net income (loss)	\$ (5.2)	\$ (4.2)	\$ 10.7	\$ 12.7
Weighted average common shares outstanding:				
Basic	39,000,000	39,000,000	40,000,000	40,000,000
Diluted	39,000,000	39,000,000	47,000,000	47,000,000
Net loss per share	\$ (1.18)	\$ (1.15)	\$ (3.38)	\$ (3.33)
Non-GAAP net income (loss) per share	\$ (0.13)	\$ (0.11)	\$ 0.23	\$ 0.27
Net loss	\$ (46.0)	\$ (45.0)	\$ (135.0)	\$ (133.0)
Interest expense, net	1.4	1.4	6.0	6.0
Income taxes, net	0.1	0.1	4.0	4.0
Depreciation and amortization	15.0	15.0	60.0	60.0
EBITDA	(29.5)	(28.5)	(65.0)	(63.0)
Strategic realignment	6.5	6.5	16.5	16.5
Stock-based compensation	22.0	22.0	82.0	82.0
Adjusted EBITDA	\$ (1.0)	\$ -	\$ 33.5	\$ 35.5

Year Ended December 31, 2022 Issued Feb 24 th , 2022			
	Low End		High End
Net loss	\$	(141.0)	\$ (139.0)
Amortization of acquired intangibles		51.0	51.0
Accretion of interest on convertible senior notes		5.2	5.2
Stock-based compensation		95.0	95.0
Non-GAAP net income	\$	10.2	\$ 12.2
Weighted average common shares outstanding:			
Basic		39,700,000	39,700,000
Diluted		47,000,000	47,000,000
Net loss per share	\$	(3.55)	\$ (3.50)
Non-GAAP net income per share	\$	0.22	\$ 0.26
Net loss	\$	(141.0)	\$ (139.0)
Interest expense, net		6.0	6.0
Income taxes, net		6.0	6.0
Depreciation and amortization		67.0	67.0
EBITDA		(62.0)	(60.0)
Stock-based compensation		95.0	95.0
Adjusted EBITDA	\$	33.0	\$ 35.0

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Source: Everbridge, Inc.

1Q22 Investor Presentation

May 9, 2022



Safe Harbor

This presentation contains forward-looking statements about Everbridge, Inc. ("EVBG", "Everbridge" or the "Company") within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, based on management's current expectation. Forward-looking statements include information related to our possible or assumed future results of operations and expenses, our outlook, our mission, business strategies and plans, business environment, market size, product capabilities and release timing and future growth. These statements are often identified by the use of words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "will," "would" or the negative or plural of these words or similar expressions or variations. Such forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: our ability to attract new customers and retain and increase sales to existing customers; developments in the market for critical communications and enterprise safety applications and the associated regulatory environment; our estimates of market opportunity and forecasts of market growth may prove to be inaccurate; we have not been profitable on a consistent basis historically and may not achieve or maintain profitability in the future; the lengthy and unpredictable sales cycles for new customers; nature of our business exposes us to inherent liability risks; our ability to successfully integrate businesses and assets that we may acquire; our ability to maintain successful relationships with our partners; our ability to respond to competitive pressures; potential liability related to data privacy and security; our ability to protect our intellectual property rights; and the other risks detailed in our risk factors discussed in filings with the U.S. Securities and Exchange Commission (the "SEC"). Moreover, Everbridge operates in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for the Company's management to predict all risks, nor can it assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied.

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This presentation also contains estimates and other statistical data made by independent parties and by Everbridge relating to market size and growth and other data about the Company's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither Everbridge nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of the Company's total addressable market, future performance and the future performance of the markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk. By attending or receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and Everbridge's market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of Everbridge's business.

In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures, including Adjusted EBITDA and Free Cash Flow among others. These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. The non-GAAP financial measures used by Everbridge may differ from the non-GAAP financial measures used by other companies. A reconciliation of these measures to the most directly comparable GAAP measure is included in the endnote to these slides on page 23.



Business Overview

Everbridge Overview

We provide enterprise software applications to improve organizational response for critical events **to keep people safe and organizations running. Faster.**



**\$41+
Billion
Market
Opportunity**¹

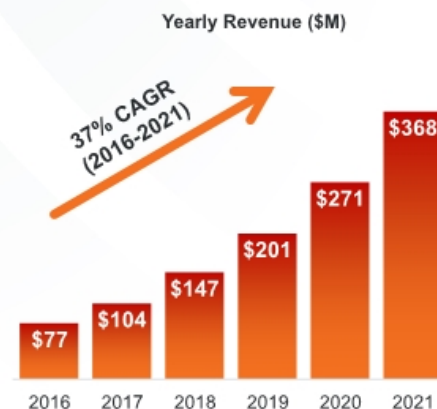
**6.2K+
Enterprise
Customers**²

**110%+
Net Revenue
Retention**³

**1.9K+
Employees**⁴

**Yearly Free
Cash Flow
Positive**⁵

**Adjusted
EBITDA
Positive**⁶



(1) Total Addressable Market is based on EVBG-ASPs applied to 29,000+ named accounts, including (a) CEM target customers in G2000 and companies with greater than 1,000 employees; (b) IT & IoT alerting target customers as % of employees supporting IT as of June 30, 2019; and (c) 190+ target Population Alerting countries priced according to population and GDP as of June 30, 2019. TAM, which is based on management estimates, is inherently subject to uncertainties and actual events or circumstances may differ materially from management estimates reflected in this presentation.
(2) As of March 31, 2022.
(3) Trailing 12 months (TTM) as of March 31, 2022. Net revenue retention is revenue generated from existing customers, including recurring revenue, expansion revenue, downgrades, and cancels.
(4) As of March 31, 2022.
(5) \$2.4M (FY 2021).
(6) \$11.2M (FY 2021) compared to \$8.0M (FY 2020).

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Our World is more complex than ever ... and keeps changing rapidly



Natural Disasters



Cyber Attacks



Pandemics



Civil Unrest



Supply Chain Disruption



**Digital Transformation
"At Speed"**

Powering Resilience for 20+ Years



Experience

GLOBAL PUBLIC
COMPANY

Highlights:

- + Over **6,200** enterprise customers
- + Available in **200+** countries and territories
- + **99.99%** uptime
- + Protecting **2+ billion** people
- + Public warning solutions used in **20+ countries**

Innovation

CEM FIRST TO
MARKET

Highlights:

- + Hi-fidelity **risk intelligence** powered by **pattern matching**
- + Automated **correlation** and **orchestrated workflows**
- + **160+** worldwide patents
- + **450+** integrations

Value

CUSTOMERS
FOR LIFE

Highlights:

- + **Purpose-built solutions** to support customer journey
- + Everbridge network collaboration with **public & private networks**
- + **Best in Enterprise Resilience Certification**

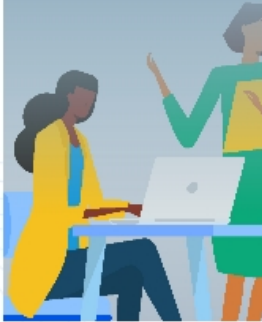


Critical Event Management Portfolio



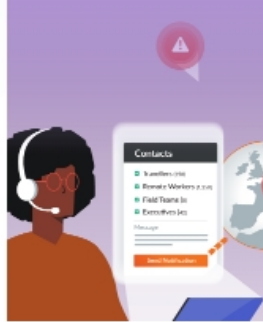
Business Operations

Build enterprise resilience with enhanced business operations and safeguard assets



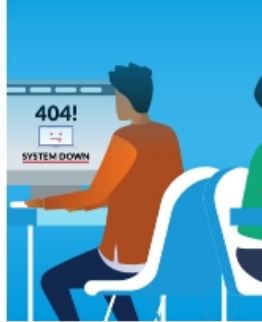
People Resilience

Build workforce resilience to keep people safe, healthy, and productive



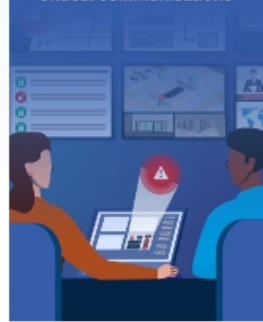
Digital Operations

Build digital operations resilience and deliver continuous service uptime



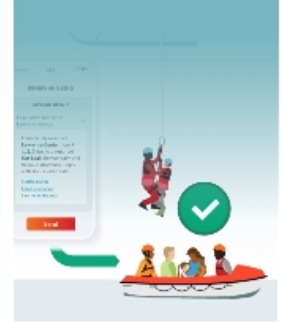
Smart Security

Increase enterprise resilience by unifying risk intelligence, physical security and critical communications



Public Safety

Build community resilience by protecting the public before, during, and after critical events



“Single Pane of Glass” for Greater Resiliency in Critical Event Management

UNIFY

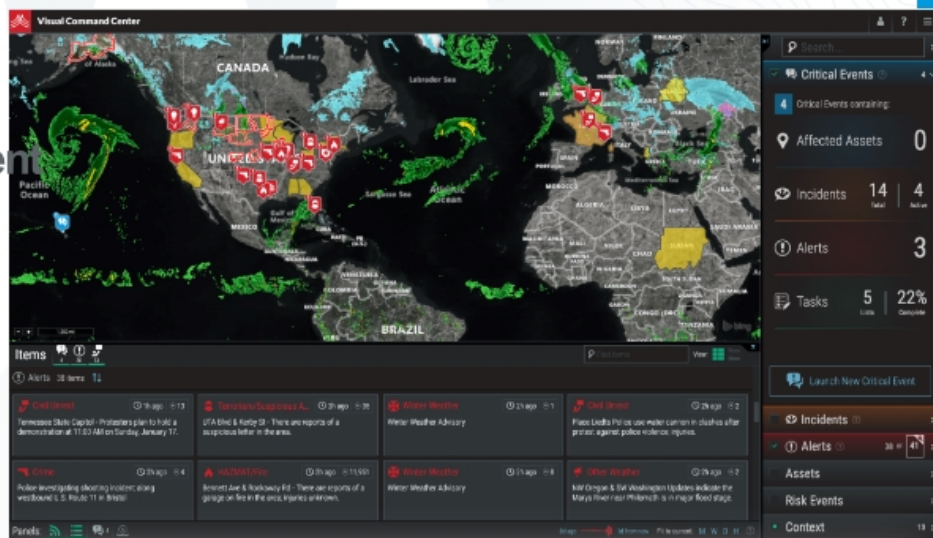
Common all-hazards risk picture
and operating environment

AUTOMATE

Contextual collaboration, response
automation & process optimization

INTEGRATE

Integration to 450+ digital
and physical systems



Everbridge Client Base



9 OF THE 10

largest US-based investment banks¹



8 OF THE 10

largest global auto makers²



9 OF THE 10

largest global consulting firms³



8 OF THE 10

largest U.S. cities⁴



9 OF THE 10

largest U.S.-based healthcare providers



47 OF THE 50

busiest North American airports⁵



47 OF THE 50

Fortune 50



7 OF THE 10

largest High Tech companies⁷



4 OF THE 4

largest global CPA firms²

Extensive customer base growth across **multiple verticals**

Q4 2011
867

Q1 2022
6,224

Number of customers⁸



(1) 2019 ADV ratings by investment banking revenue. (2) As of 2019, ranked by annual revenue (3) As of 2018, ranked by annual revenue (4) 2010 consensus by population (5) Federal Aviation Administration (6) Drug Channels Institute 2018, ranked by prescription revenue (7) Forbes "The Largest Technology Companies in 2019" (8) As of December 31, 2011 and December 31, 2021.

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Market Leading CEM Differentiation

CEM Critical Event Management PLATFORM



GAIN
CLARITY



ACT
FASTER



IMPROVE
OUTCOMES



PLATFORM

One Platform.
One Process.
One Response.
Anywhere.



SCALE

Resources to
support teams of
all sizes globally



DATA

Automated, real-
time threat
detection for 100+
types of risk



PRODUCTS

Integrated suite for
response
management of
critical event
lifecycles



IP PATENTS

160+ worldwide
patents



Over 6 billion transactions delivered in 2021 across 200+ countries

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Setting the Standard in Security and Compliance

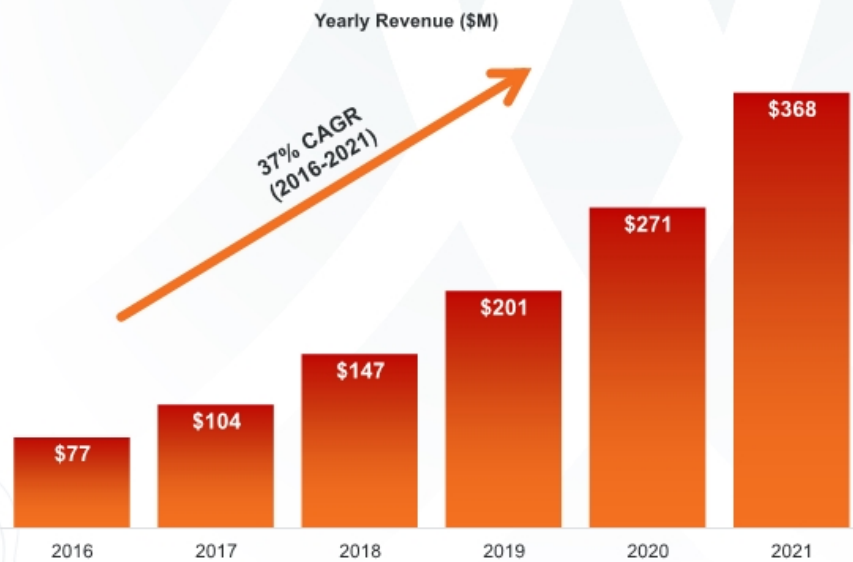


Industry Recognition

IT Europe Channel Awards 	Edison Awards: Public Warning 	Software Reviews 
Comparably: Product & Design 	Fast Company: Covid Response 	Comparably: Global Culture 
GPTW Certified 	Govies: Resident Connection 	Stevie: Public Warning 

Financial Overview

Strong and Consistent Revenue Growth



+40%
YoY Adjusted
EBITDA

+40%
YoY Cash Flow
from Operations

Predictable SaaS Recurring Revenue Model



85+%

of revenue is
recurring
subscription¹

90%+

of revenue
contracted prior
to quarter start²

110+%

net revenue
retention rate³

1.8

years average
length of
customer
contract⁴



(1) As of March 31, 2022.

(2) Average 95% of the revenue recognized in each of the eight most recently completed quarters was generated from contracts entered into in prior quarters or renewals of those contracts, exclusive of upsells.

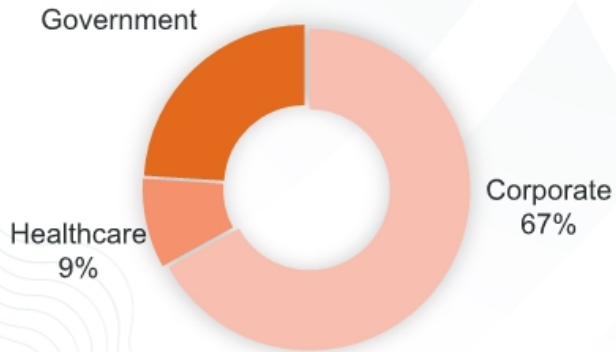
(3) Each of the years ended December 31, 2016-2021.

(4) As of March 31, 2022.

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Strong and Diversified Revenue Profile

Revenue by Vertical¹

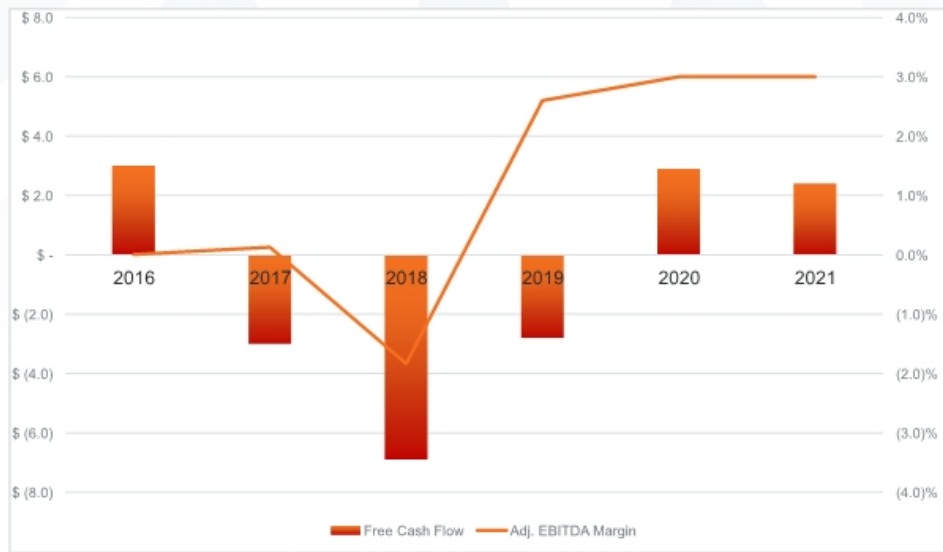


Revenue by Geography¹

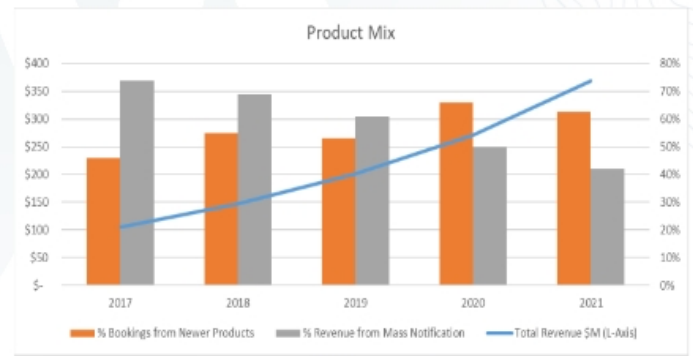
Rest of World North America



Improving Cash Flow and Profitability



Deal Sizes and Mix: Expanding our Competitive Moat



- CEM portfolio creates on-ramp for customers to Land, Expand, Adopt, Renew
- Deal sizes have grown consistently with CEM adoption
- Bookings contribution from newer products makes up over 60% of total
- Revenue from traditional Mass Notification solutions is about 40% of total

Quarterly Snapshot of Key Metrics

Customers



CEM Customers



\$100K Customers Added



Revenue from Mass Notification (%)



Bookings from Newer Products (%)



FY22 Priorities

- **Simplifying our product offerings**
 - + Moving from several dozen individual point products to focus on four strategic CEM solutions – each targeting a specific buyer persona with a unique and differentiated technology solution.
 - + Enabling our enterprise teams to more effectively sell our greatest asset: a more robust and integrated industry-leading CEM platform.
- **Expanding Public Warning market opportunity**
 - + Continue to leverage our industry-leading win rates to drive land-and-expand opportunities.
 - + Apply increased focus towards driving network effects that multiply the opportunity inside a region once we start to penetrate it.
- **Pausing material new M&A**
 - + Prioritize development efforts to focus on accelerating product integrations across our existing acquired assets.
 - + Allow for greater competitive differentiation, product and go-to-market process simplification, driving higher productivity over time and lower cost.

Investment Summary

Adjusted
**EBITDA and
FCF
Positive**¹

**SaaS
Subscription
Model**

**Growing
Enterprise
Software Suite**

**\$41+ Billion
TAM**²

**37%
Revenue CAGR**³

**110%+
net revenue
retention rate**⁴



(1) Year ended December 31, 2021.

(2) Total Addressable Market is based on EVBG ASPs applied to 29,000+ named accounts, including (a) CEM target customers in G2000 and companies with greater than 1,000 employees; (b) IT & IoT alerting target customers as % of employees supporting IT; and (c) 180+ target Population Alerting countries priced according to population and GDP. TAM, which is based on management estimates, is inherently subject to uncertainties and actual events or circumstances may differ materially from management estimates reflected in this presentation.

(3) Compound annual growth rate for the years 2016-2021.

(4) Each of the years ended December 31, 2016-2021.

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Updated FY22 Outlook

EVERBRIDGE, INC. AND SUBSIDIARIES Financial Outlook (in millions, except per share data)

	Second Quarter 2022				Full Year 2022				Full Year 2022 Guidance Issued Feb 24 th , 2022			
	\$		to \$		\$		to \$		\$		to \$	
Revenue	\$	101.8	to \$	102.2	\$	428.2	to \$	432.8	\$	426.0	to \$	432.0
Revenue growth		17%		18%		16%		17%		15%		17%
GAAP net loss	\$	(46.0)	\$	(45.0)	\$	(135.0)	\$	(133.0)	\$	(141.0)	\$	(139.0)
GAAP net loss per share	\$	(1.18)	\$	(1.15)	\$	(3.38)	\$	(3.33)	\$	(3.55)	\$	(3.50)
Non-GAAP net income (loss)	\$	(5.2)	\$	(4.2)	\$	10.7	\$	12.7	\$	10.2	\$	12.2
Non-GAAP net income (loss) per share	\$	(0.13)	\$	(0.11)	\$	0.23	\$	0.27	\$	0.22	\$	0.26
Adjusted EBITDA	\$	(1.0)	\$	-	\$	33.5	\$	35.5	\$	33.0	\$	35.0



(1) See slide 23 for a reconciliation of the most comparable metric calculated in accordance with U.S. GAAP, GAAP net loss to non-GAAP net income (loss) and to adjusted EBITDA.

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Reconciliation non-GAAP/GAAP

EVERBRIDGE, INC. AND SUBSIDIARIES Reconciliation of Financial Outlook (in millions, except share and per share data)

	Three Months Ended June 30, 2022		Year Ended December 31, 2022		Year Ended December 31, 2022 Issued Feb 24 th , 2022	
	Low End	High End	Low End	High End	Low End	High End
Net loss	\$ (46.0)	\$ (45.0)	\$ (135.0)	\$ (133.0)	\$ (141.0)	\$ (139.0)
Amortization of acquired intangibles	11.0	11.0	42.0	42.0	51.0	51.0
Accretion of interest on convertible senior notes	1.3	1.3	5.2	5.2	5.2	5.2
Strategic realignment	6.5	6.5	16.5	16.5	—	—
Stock-based compensation	22.0	22.0	82.0	82.0	95.0	95.0
Non-GAAP net income (loss)	\$ (5.2)	\$ (4.2)	\$ 10.7	\$ 12.7	\$ 10.2	\$ 12.2
Weighted average common shares outstanding:						
Basic	39,000,000	39,000,000	40,000,000	40,000,000	39,700,000	39,700,000
Diluted	39,000,000	39,000,000	47,000,000	47,000,000	47,000,000	47,000,000
Net loss per share	\$ (1.18)	\$ (1.15)	\$ (3.38)	\$ (3.33)	\$ (3.55)	\$ (3.50)
Non-GAAP net income (loss) per share	\$ (0.13)	\$ (0.11)	\$ 0.23	\$ 0.27	\$ 0.22	\$ 0.26
Net loss	\$ (46.0)	\$ (45.0)	\$ (135.0)	\$ (133.0)	\$ (141.0)	\$ (139.0)
Interest expense, net	1.4	1.4	6.0	6.0	6.0	6.0
Income taxes, net	0.1	0.1	4.0	4.0	6.0	6.0
Depreciation and amortization	15.0	15.0	60.0	60.0	67.0	67.0
EBITDA	(29.5)	(28.5)	(65.0)	(63.0)	(62.0)	(60.0)
Strategic realignment	6.5	6.5	16.5	16.5	—	—
Stock-based compensation	22.0	22.0	82.0	82.0	95.0	95.0
Adjusted EBITDA	\$ (1.0)	\$ -	\$ 33.5	\$ 35.5	\$ 33.0	\$ 35.0

Reconciliation non-GAAP/GAAP

\$millions

For the Twelve Months Ended
December 31,

	2016	2017	2018	2019	2020	2021
Net loss	\$ (11.3)	\$ (19.6)	\$ (47.5)	\$ (52.3)	\$ (93.4)	\$ (94.8)
Interest expense, net	0.5	0.2	4.5	3.0	22.1	35.6
Income taxes, net	-	-	0.8	0.4	(2.3)	(12.6)
Depreciation and amortization	7.7	10.2	13.7	19.7	30.8	53.2
(Gain) loss on extinguishment of debt	-	-	-	1.4	0.3	(7.2)
Change in fair value of contingent consideration	-	(1.0)	(0.3)	(0.6)	3.7	(7.1)
Stock-based compensation	3.1	9.3	25.8	33.5	46.8	44.1
Adjusted EBITDA	\$ -	\$ (0.9)	\$ (3.0)	\$ 5.1	\$ 8.0	\$ 11.2
Net cash from operating activities	\$ 9.5	\$ 4.9	\$ 3.3	\$ 10.3	\$ 15.8	\$ 22.2
Capital expenditures	(1.0)	(1.7)	(1.7)	(5.3)	(3.3)	(5.1)
Capitalized software development costs	(5.5)	(6.2)	(8.5)	(7.8)	(9.6)	(14.7)
Free cash flow	\$ 3.0	\$ (3.0)	\$ (6.9)	\$ (2.8)	\$ 2.9	\$ 2.4

The logo features a stylized 'M' icon composed of three overlapping curved lines in white, followed by the word 'everbridge' in a white sans-serif font with a registered trademark symbol (®) at the end. The background is a long-exposure photograph of a highway at night, showing light trails from cars and illuminated bridge structures. The image is framed by blue and red geometric shapes with white contour lines.

