



TWILIO SIGNS DEFINITIVE AGREEMENT TO ACQUIRE SENDGRID

October 15, 2018



LEGAL DISCLAIMER

Additional Information and Where To Find It

In connection with the proposed transaction between Twilio and SendGrid, Twilio will file a Registration Statement on Form S-4 and joint proxy statement/prospectus forming a part thereof. BEFORE MAKING ANY VOTING DECISION, TWILIO'S AND SENDGRID'S RESPECTIVE INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND JOINT PROXY STATEMENT/PROSPECTUS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) REGARDING THE PROPOSED TRANSACTION WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders will be able to obtain free copies of the Registration Statement, the joint proxy statement/prospectus (when available) and other relevant documents filed or that will be filed by Twilio or SendGrid with the SEC through the website maintained by the SEC at <http://www.sec.gov>. They may also be obtained for free by contacting Twilio Investor Relations by email at ir@twilio.com or by phone at 415-801-3799 or by contacting SendGrid Investor Relations by email at ir@sendsrid.com or by phone at 720-588-4496, or on Twilio's and SendGrid's websites at www.investors.twilio.com and www.investors.sendgrid.com, respectively.

No Offer or Solicitation

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities nor a solicitation of any vote or approval with respect to the proposed transaction or otherwise. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

Participants in the Solicitation

Each of Twilio and SendGrid and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from their respective shareholders in connection with the proposed transaction. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of Twilio and SendGrid shareholders in connection with the proposed transaction and a description of their direct and indirect interests, by security holdings or otherwise will be set forth in the Registration Statement and the joint proxy statement/prospectus when filed with the SEC. Information regarding Twilio's executive officers and directors is included in Twilio's Proxy Statement for its 2018 Annual Meeting of Stockholders, filed with the SEC on April 27, 2018 and information regarding SendGrid's executive officers and directors is included in SendGrid's Proxy Statement for its 2018 Annual Meeting of Stockholders, filed with the SEC on April 20, 2018.

Additional information regarding the interests of the participants in the solicitation of proxies in connection with the proposed transaction will be included in the joint proxy statement/prospectus and other relevant materials Twilio and SendGrid intend to file with the SEC.



LEGAL DISCLAIMER

Use of Forward-Looking Statements

This communication contains “forward-looking statements” within the meaning of federal securities laws. Forward-looking statements may contain words such as “believes”, “anticipates”, “estimates”, “expects”, “intends”, “aims”, “potential”, “will”, “would”, “could”, “considered”, “likely” and words and terms of similar substance used in connection with any discussion of future plans, actions or events identify forward-looking statements. All statements, other than historical facts, including statements regarding the expected timing of the closing of the proposed transaction and the expected benefits of the proposed transaction, are forward-looking statements. These statements are based on management’s current expectations, assumptions, estimates and beliefs. While Twilio believes these expectations, assumptions, estimates and beliefs are reasonable, such forward-looking statements are only predictions, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements.

The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: (i) failure of Twilio or SendGrid to obtain stockholder approval as required for the proposed transaction; (ii) failure to obtain governmental and regulatory approvals required for the closing of the proposed transaction, or delays in governmental and regulatory approvals that may delay the transaction or result in the imposition of conditions that could reduce the anticipated benefits from the proposed transaction or cause the parties to abandon the proposed transaction; successful completion of the proposed transaction; (iii) failure to satisfy the conditions to the closing of the proposed transactions; (iv) unexpected costs, liabilities or delays in connection with or with respect to the proposed transaction; (v) the effect of the announcement of the proposed transaction on the ability of SendGrid or Twilio to retain and hire key personnel and maintain relationships with customers, suppliers and others with whom SendGrid or Twilio does business, or on SendGrid’s or Twilio’s operating results and business generally; (vi) the outcome of any legal proceeding related to the proposed transaction; (vii) the challenges and costs of integrating, restructuring and achieving anticipated synergies and benefits of the proposed transaction and the risk that the anticipated benefits of the proposed transaction may not be fully realized or take longer to realize than expected; (viii) competitive pressures in the markets in which Twilio and SendGrid operate; (ix) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; and (ix) other risks to the consummation of the proposed transaction, including the risk that the proposed transaction will not be consummated within the expected time period or at all. Additional factors that may affect the future results of Twilio and SendGrid are set forth in their respective filings with the SEC, including each of Twilio’s and SendGrid’s most recently filed Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the SEC, which are available on the SEC’s website at www.sec.gov. See in particular Item 1A of Twilio’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 under the heading “Risk Factors” and Item 1A of SendGrid’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 under the heading “Risk Factors.” The risks and uncertainties described above and in Twilio’s most recent Quarterly Report on Form 10-Q and SendGrid’s most recent Quarterly Report on Form 10-Q are not exclusive and further information concerning Twilio and SendGrid and their respective businesses, including factors that potentially could materially affect their respective businesses, financial condition or operating results, may emerge from time to time. Readers are urged to consider these factors carefully in evaluating these forward-looking statements, and not to place undue reliance on any forward-looking statements. Readers should also carefully review the risk factors described in other documents that Twilio and SendGrid file from time to time with the SEC. The forward-looking statements in these materials speak only as of the date of these materials. Except as required by law, Twilio and SendGrid assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

TRANSACTION OVERVIEW

Strategic Rationale

- Create the world's leading communications platform spanning voice, messaging, video - and now email

Transaction Consideration

- 0.485 shares of Twilio Class A common stock for each share of SendGrid common stock

Expected Closing

- Expected to close in first half of 2019
- Subject to shareholder vote by Twilio and SendGrid, regulatory approval and satisfaction of customary closing conditions

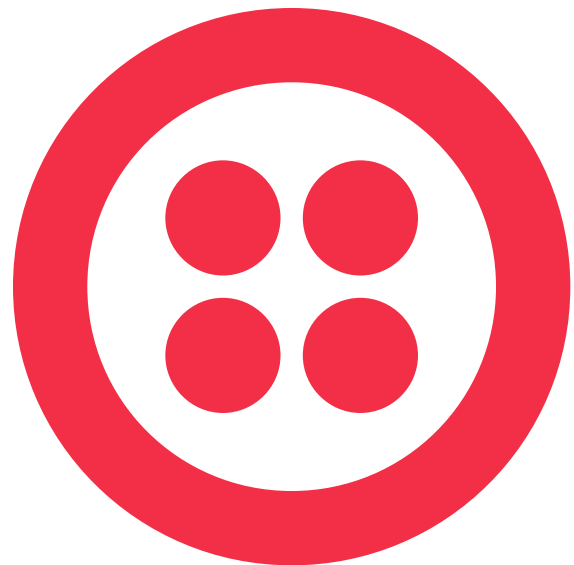


OUR MISSION

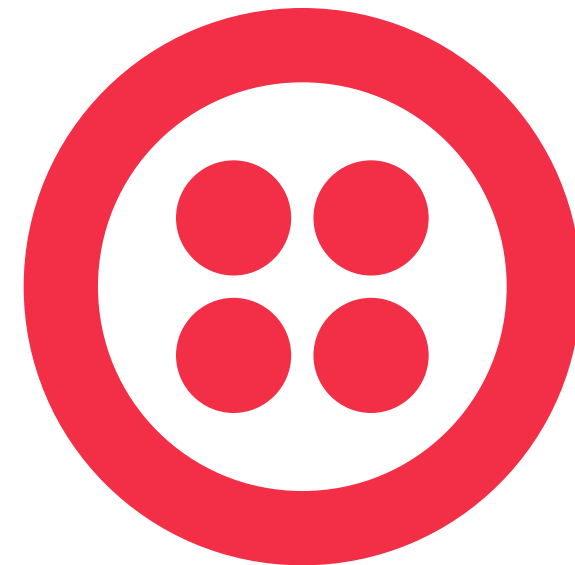
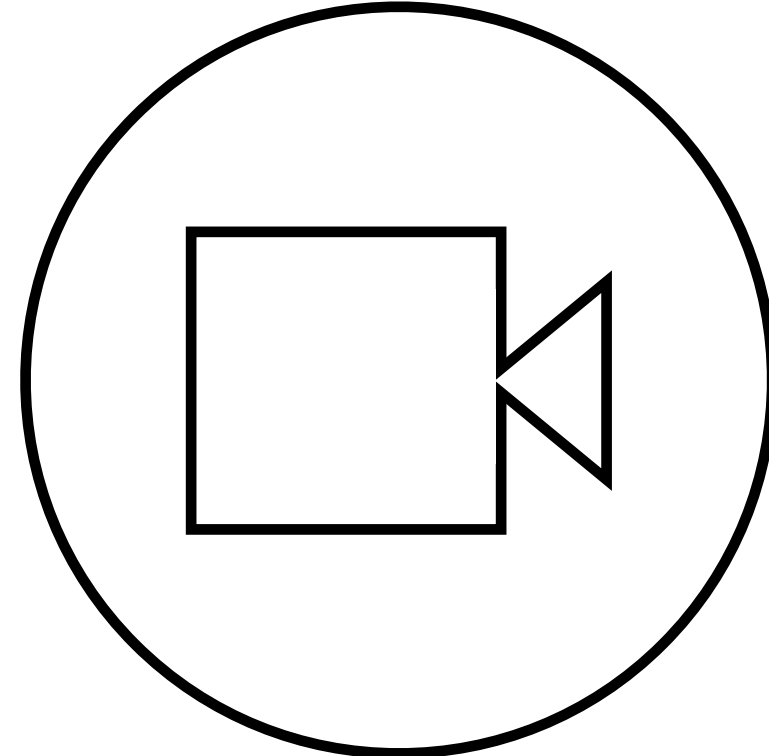
**FUEL
THE FUTURE OF
COMMUNICATIONS**

MAJOR BUSINESS COMMUNICATIONS CHANNELS

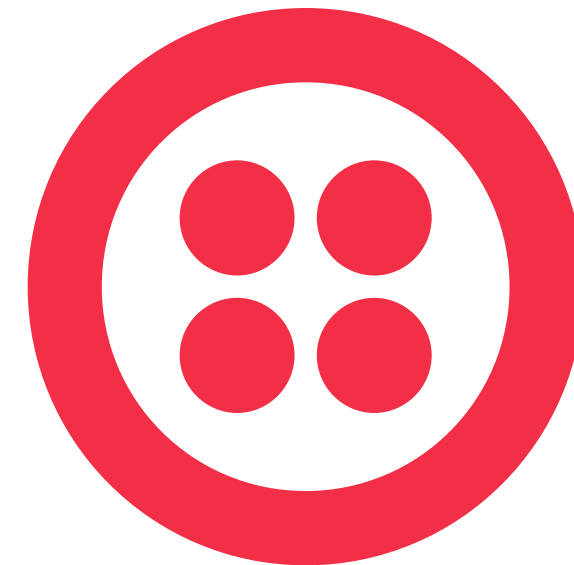
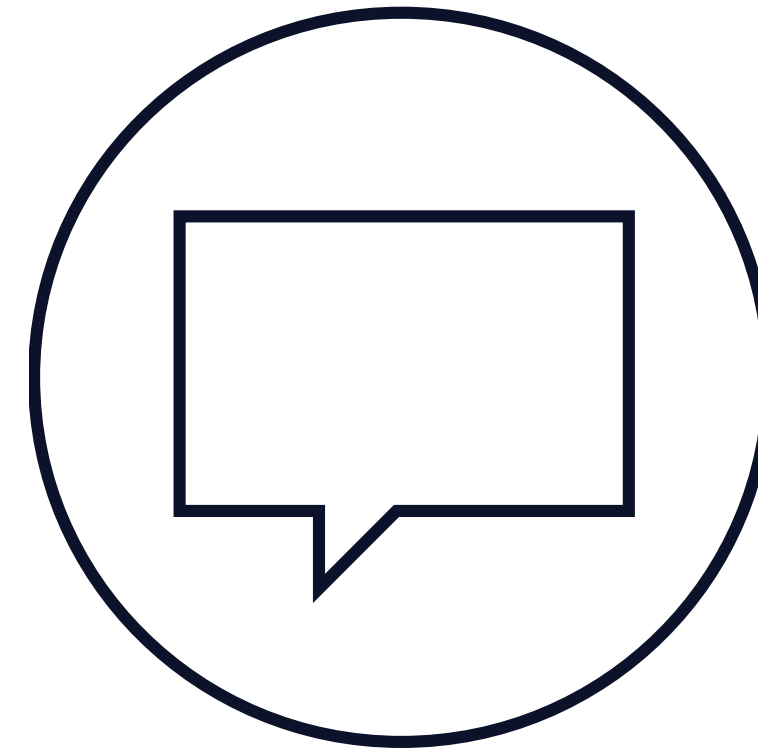
VOICE



VIDEO



MESSAGING



EMAIL





COMMON DNA BETWEEN TWILIO AND SENDGRID

SHARED VISION

CLOUD
COMMUNICATIONS
PLATFORM

SHARED MODEL

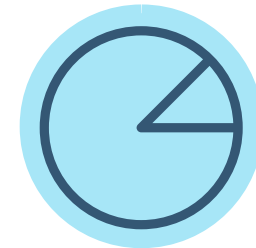
LOW FRICTION,
DEVELOPER-FOCUSED
MODEL

SHARED VALUES

CUSTOMER-FOCUSED
HUMILITY
HONESTY



BRIEF SNAPSHOT OF SENDGRID



\$11 Billion
ADDRESSABLE MARKET⁽¹⁾



1.5 Trillion Emails Processed
45 BILLION+ PROCESSED PER MONTH⁽²⁾



SENDGRID SENDS EMAIL TO
>50% of The World's Email Addresses⁽³⁾



June 2018 LTM Revenue: \$128.3M
CONSISTENT GROWTH >30%/YR⁽⁴⁾



74,000+ CUSTOMERS⁽⁵⁾



Profitable⁽⁶⁾
LAST eight QUARTERS
(Adjusted Net Income Basis)

1. Addressable market data was derived by determining the number of U.S.-based small businesses (source: Small Business Administration) expected to have an online presence (53%) in 2014 and using that data as a proxy for the percentage of global businesses with an online presence.

We coupled this with NAICS Association data to derive the total number of global businesses with five or more employees. We then multiplied this by the average revenue per customer using both our Email API and Marketing Campaigns services in 2016.

2. Based on a per month average of 140.2 Billion emails processed in Q2-2018

3. Source: Company information and 2017 Radicati Group report

4. Based on annual revenue 2015 - 2017 and the 12-month revenue from July 1, 2017 - June 30, 2018.

5. As of June 30, 2018

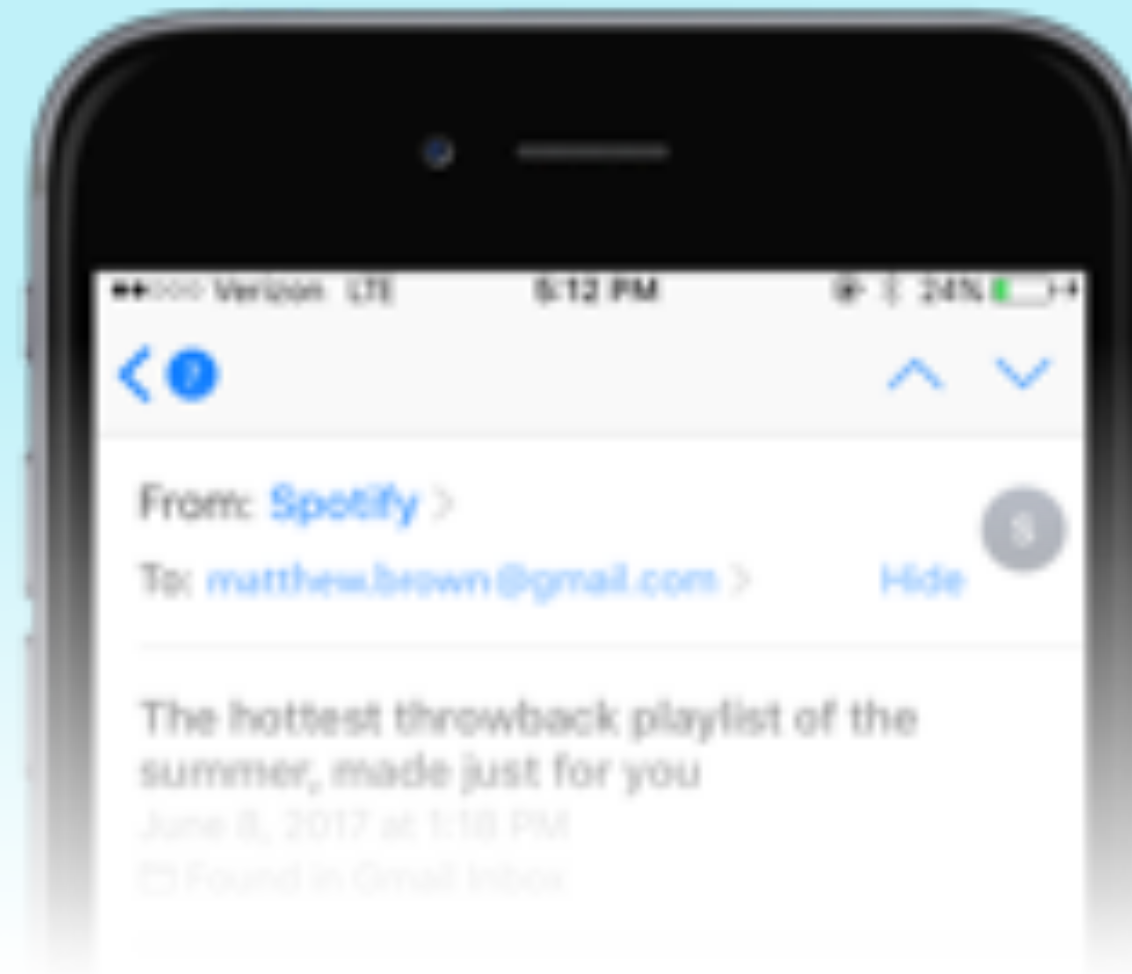
6. Profitability on a non-GAAP basis only based on Adjusted Net Income over the last 8 quarters ended June 30, 2018. Adjusted Net Income is a non-GAAP measure - See the appendix for a reconciliation of Adjusted Net Income to Net Loss, the most comparable GAAP metric



SENDGRID ENABLES DIGITAL COMMUNICATIONS AT SCALE

Email API

Marketing Campaigns



Transactional

Recipient Initiated
One-to-One

Marketing

Sender Initiated
One-to-One

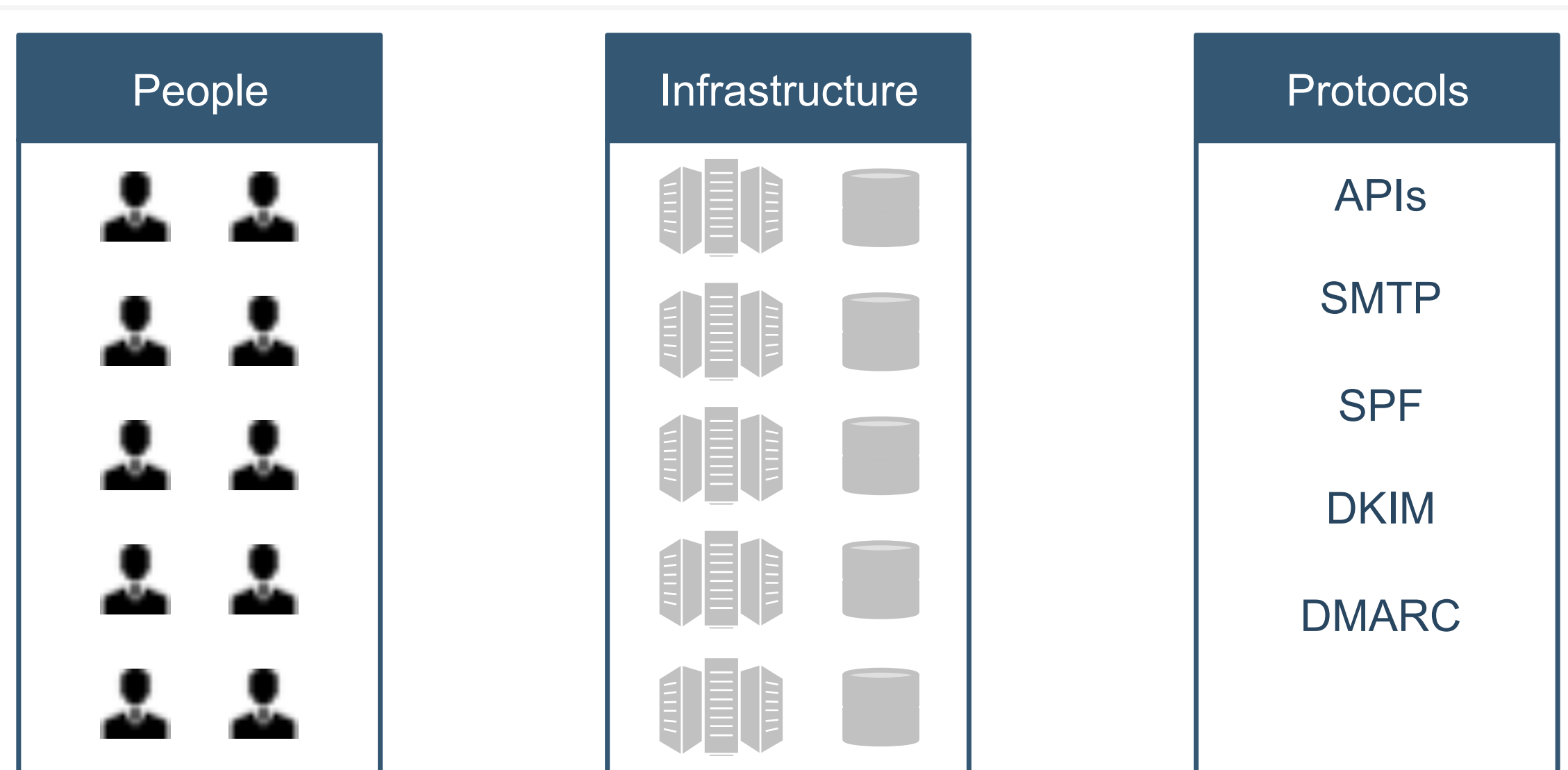
Marketing

Sender Initiated
One-to-Many



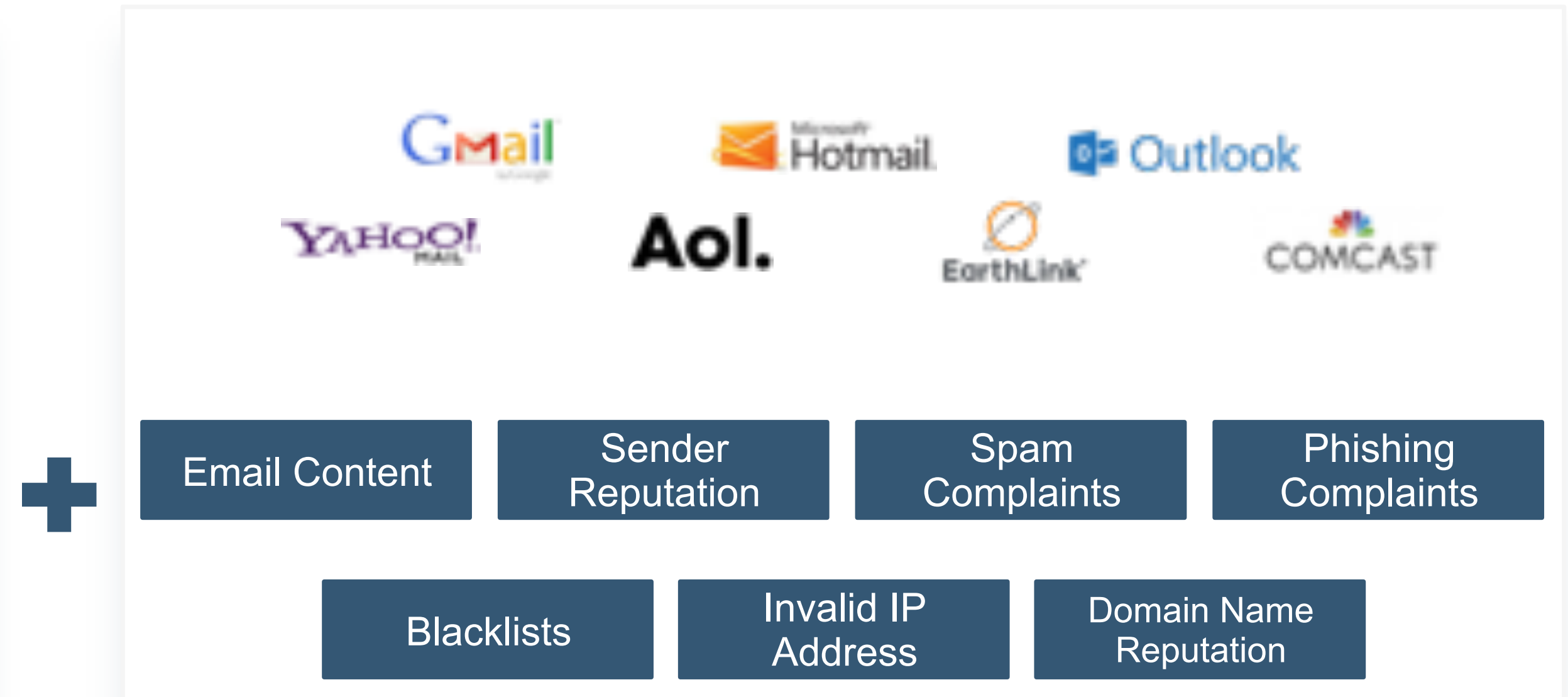
MANAGING EMAIL DELIVERY AT SCALE

Email Sender Side



Requires domain expertise and resources to manage transactional and marketing email at scale

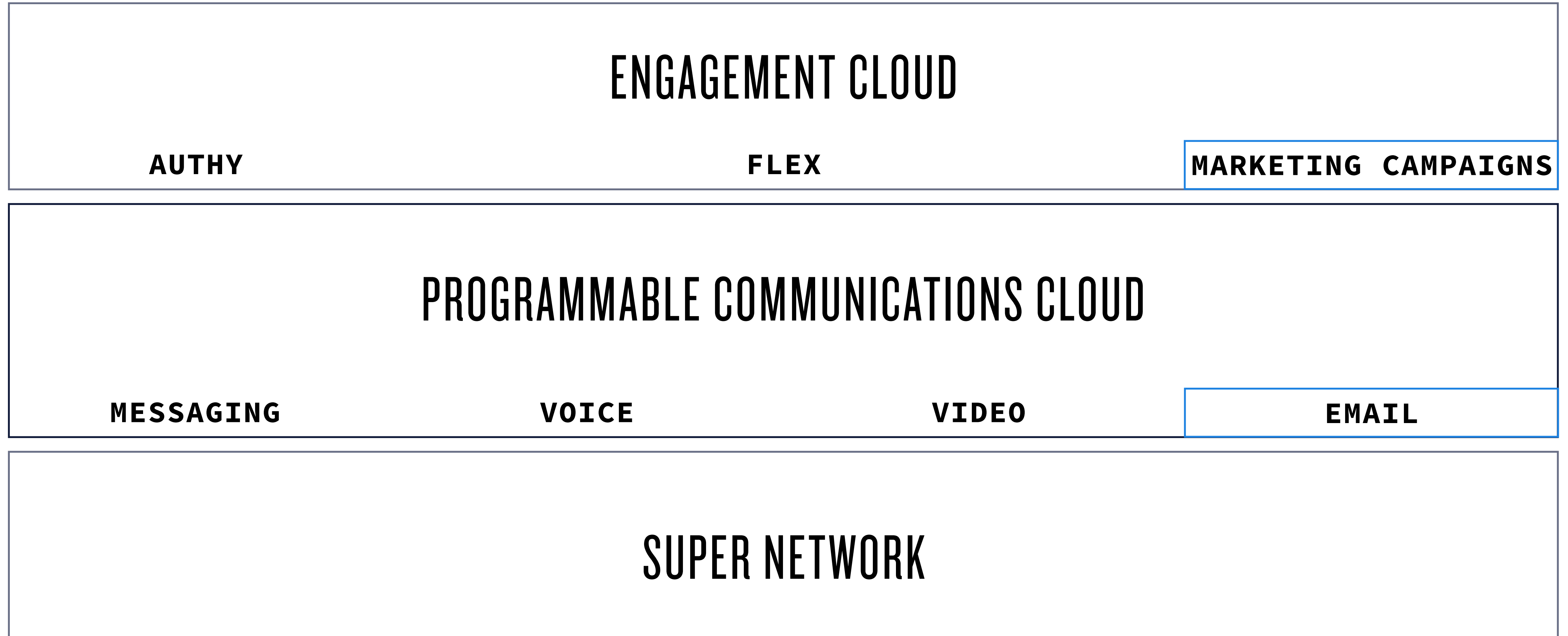
Email Recipient Side



Apply unique and sophisticated filters to analyze and block presumed unwanted mail for recipients

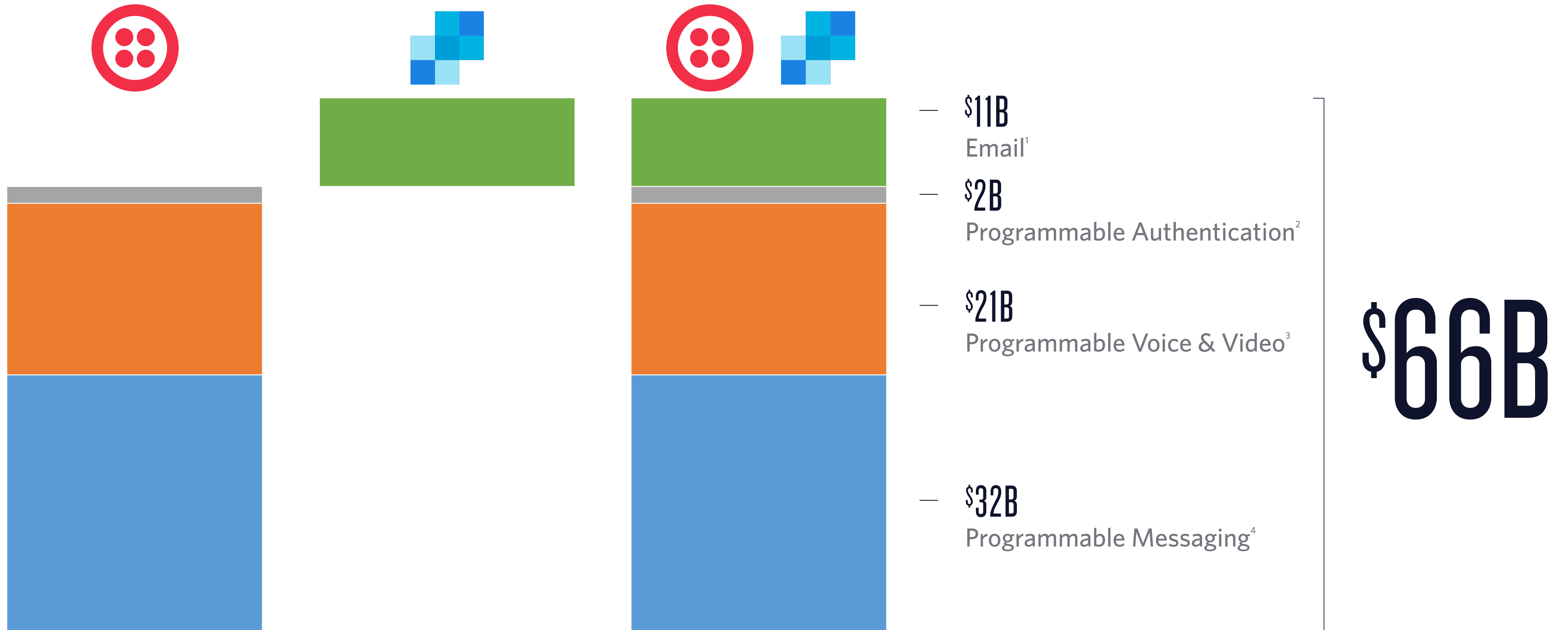


NATURAL EXTENSION OF TWILIO PLATFORM





SIGNIFICANT EXPANSION IN TOTAL ADDRESSABLE MARKET



1 Addressable market data for email was derived by determining the number of U.S.-based small businesses (source: Small Business Administration) expected to have an online presence (53%) in 2014 and using that data as a proxy for the percentage of global businesses with an online presence. We coupled this with NAICS Association data to derive the total number of global businesses with five or more employees. We then multiplied this by the average revenue per customer using both our Email API and Marketing Campaigns services in 2016.

Twilio's platform currently addresses significant portions of these several large markets:



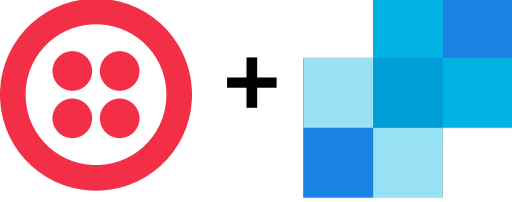
2 International Data Corporation, *Worldwide Application-to-Person Messaging 2015-2019 Forecast: The Power of Cloud API Messaging Platforms*, March 2015.

3 International Data Corporation, *Worldwide Identity and Access Management Forecast 2017-2021*, August 2017.

4 International Data Corporation, *Worldwide Unified Communications and Collaboration Forecast 2017-2021*, May 2017.



FINANCIAL PROFILE (ANNUALIZED Q2 ENDED JUNE 30, 2018)

			
Total Revenue	\$591	\$143	\$734
Gross Profit (Non-GAAP)	\$325	\$109	\$434
Gross Margin (Non-GAAP)	55%	76%	59%
Total Operating Income / (Loss) (Non-GAAP)	\$9	\$9	\$18
Total Operating Margin (Non-GAAP)	1%	6%	2%

▪ Total Revenue, Gross Profit, and Operating Income/(Loss) figures in millions and cover the three month period ending June 30, 2018, multiplied by four to create an annualized run rate



THANK YOU



TWILIO INC.
Reconciliation to Non-GAAP Financial Measures*

(In thousands, except share and per share amounts)

	For the three months ended					For the three months ended					For the three months ended					For the three months ended	
	March 31 2015	June 30 2015	September 30 2015	December 31 2015	Year Ended Dec 31, 2015	March 31 2016	June 30 2016	September 30 2016	December 31 2016	Year Ended Dec 31, 2016	March 31 2017	June 30 2017	September 30 2017	December 31 2017	Year Ended Dec 31, 2017	March 31 2018	June 30 2018
Base Revenue	\$ 25,931	\$ 30,694	\$ 36,729	\$ 43,497	\$ 136,851	\$ 49,834	\$ 56,370	\$ 64,099	\$ 75,245	\$ 245,548	\$ 80,643	\$ 87,583	\$ 91,965	\$ 105,299	\$ 365,490	\$ 117,507	\$ 135,004
Variable Revenue	7,434	7,260	7,533	7,840	30,067	9,506	8,140	7,434	6,707	31,787	6,729	8,287	8,577	9,937	33,530	11,609	12,750
Total Revenue	\$ 33,365	\$ 37,954	\$ 44,262	\$ 51,338	\$ 166,919	\$ 59,340	\$ 64,510	\$ 71,533	\$ 81,952	\$ 277,335	\$ 87,372	\$ 95,870	\$ 100,542	\$ 115,236	\$ 399,020	\$ 129,116	\$ 147,754
Gross profit	\$ 17,820	\$ 21,127	\$ 24,660	\$ 28,858	\$ 92,465	\$ 32,513	\$ 36,307	\$ 40,248	\$ 47,747	\$ 156,815	\$ 50,086	\$ 53,537	\$ 52,288	\$ 60,214	\$ 216,125	\$ 69,534	\$ 79,814
Non-GAAP adjustments:																	
Stock-based compensation	14	14	17	20	65	23	28	84	156	291	138	142	180	190	650	222	266
Amortization of acquired intangibles	28	21	70	120	239	70	70	70	409	619	997	1,182	1,250	1,215	4,644	1,198	1,125
Non-GAAP gross profit	\$ 17,862	\$ 21,162	\$ 24,747	\$ 28,998	\$ 92,769	\$ 32,606	\$ 36,405	\$ 40,402	\$ 48,312	\$ 157,725	\$ 51,221	\$ 54,861	\$ 53,718	\$ 61,619	\$ 221,419	\$ 70,954	\$ 81,205
Non-GAAP gross margin	54%	56%	56%	56%	56%	55%	56%	56%	59%	57%	59%	57%	53%	53%	55%	55%	55%
Research and development	\$ 8,480	\$ 9,388	\$ 11,602	\$ 13,089	\$ 42,559	\$ 14,864	\$ 17,369	\$ 21,106	\$ 24,587	\$ 77,926	\$ 26,522	\$ 29,714	\$ 31,674	\$ 32,829	\$ 120,739	\$ 37,576	\$ 39,811
Non-GAAP adjustments:																	
Stock-based compensation	(663)	(796)	(980)	(1,607)	(4,046)	(1,516)	(2,379)	(3,741)	(5,310)	(12,946)	(4,484)	(5,710)	(6,493)	(6,121)	(22,808)	(7,872)	(9,749)
Amortization of acquired intangibles	(17)	(87)	(38)	12	(130)	(38)	(38)	(38)	(37)	(151)	(38)	(38)	(25)	(38)	(139)	(22)	-
Stock repurchase	-	-	(834)	-	(834)	-	-	-	-	-	-	-	-	-	-	-	-
Gain on lease termination	-	-	-	-	-	-	-	-	-	-	150	-	-	-	150	-	-
Payroll taxes related to stock-based compensation	-	-	-	-	-	-	-	-	(61)	(61)	(806)	(223)	(315)	(122)	(1,466)	(314)	(1,215)
Non-GAAP research and development	\$ 7,800	\$ 8,505	\$ 9,750	\$ 11,494	\$ 37,549	\$ 13,310	\$ 14,952	\$ 17,327	\$ 19,179	\$ 64,768	\$ 21,344	\$ 23,743	\$ 24,841	\$ 26,548	\$ 96,476	\$ 29,368	\$ 28,847
Non-GAAP research and development as % of revenue	23%	22%	22%	22%	22%	22%	23%	24%	23%	23%	24%	25%	25%	23%	24%	23%	20%
Sales and marketing	\$ 9,869	\$ 14,164	\$ 12,067	\$ 13,208	\$ 49,308	\$ 13,422	\$ 18,156	\$ 15,873	\$ 17,816	\$ 65,267	\$ 21,116	\$ 26,153	\$ 25,778	\$ 27,622	\$ 100,669	\$ 32,822	\$ 37,749
Non-GAAP adjustments:																	
Stock-based compensation	(420)	(513)	(691)	(765)	(2,389)	(734)	(1,116)	(1,432)	(1,690)	(4,972)	(1,995)	(2,363)	(2,603)	(2,861)	(9,822)	(3,859)	(5,049)
Amortization of acquired intangibles	-	-	-	-	-	-	-	-	-	-	(117)	(202)	(220)	(214)	(753)	(220)	(206)
Stock repurchase	-	-	(76)	-	(76)	-	-	-	-	-	-	-	-	-	-	-	-
Gain on lease termination	-	-	-	-	-	-	-	-	-	-	100	-	-	-	100	-	-
Payroll taxes related to stock-based compensation	-	-	-	-	-	-	-	-	(169)	(169)	(338)	(128)	(148)	(100)	(714)	(74)	(349)
Non-GAAP sales and marketing	\$ 9,449	\$ 13,651	\$ 11,300	\$ 12,443	\$ 46,843	\$ 12,688	\$ 17,040	\$ 14,441	\$ 15,957	\$ 60,126	\$ 18,766	\$ 23,460	\$ 22,807	\$ 24,447	\$ 89,480	\$ 28,669	\$ 32,145
Non-GAAP sales and marketing as % of revenue	28%	36%	26%	24%	28%	21%	26%	20%	19%	22%	21%	24%	23%	21%	22%	22%	22%
General and administrative	\$ 8,265	\$ 7,035	\$ 9,935	\$ 10,756	\$ 35,991	\$ 10,593	\$ 11,635	\$ 14,545	\$ 14,304	\$ 51,077	\$ 17,203	\$ 4,740	\$ 18,867	\$ 18,809	\$ 59,619	\$ 23,393	\$ 24,212
Non-GAAP adjustments:																	
Stock-based compensation	(548)	(599)	(553)	(677)	(2,377)	(752)	(1,453)	(2,391)	(1,420)	(6,016)	(2,768)	(4,185)	(4,912)	(4,474)	(16,339)	(5,587)	(5,942)
Amortization of acquired intangibles	(11)	(28)	(27)	(29)	(95)	(27)	(28)	(28)	(27)	(110)	(24)	(20)	(20)	(20)	(84)	(20)	(20)
Stock repurchase	-	-	(1,055)	-	(1,055)	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition related expenses	(1,126)	(38)	-	-	(1,164)	-	-	(137)	(362)	(499)	(217)	(58)	(35)	-	(310)	-	-
Release of tax liability upon obligation settlement and estimate revisions	-	-	-	-	-	-	-	-	805	805	920	12,161	-	284	13,365	-	-
Gain on lease termination	-	-	-	-	-	-	-	-	-	-	45	-	-	-	45	-	-
Payroll taxes related to stock-based compensation	-	-	-	-	-	-	-	-	(204)	(204)	(306)	(253)	(132)	(79)	(770)	(176)	(247)
Non-GAAP general and administrative	\$ 6,580	\$ 6,370	\$ 8,300	\$ 10,050	\$ 31,300	\$ 9,814	\$ 10,154	\$ 11,989	\$ 13,096	\$ 45,053	\$ 14,853	\$ 12,385	\$ 13,768	\$ 14,520	\$ 55,526	\$ 17,610	\$ 18,003
Non-GAAP general and administrative as % of revenue	20%	17%	19%	20%	19%	17%	16%	17%	16%	16%	17%	13%	14%	13%	14%	14%	12%
Loss from operations	\$ (8,794)	\$ (9,460)	\$ (8,944)	\$ (8,195)	\$ (35,393)	\$ (6,366)	\$ (10,853)	\$ (11,276)	\$ (12,820)	\$ (41,315)	\$ (14,755)	\$ (7,070)	\$ (24,031)	\$ (20,218)	\$ (66,074)	\$ (24,257)	\$ (21,958)
Non-GAAP adjustments:																	
Stock-based compensation	1,645	1,922	2,241	3,069	8,877	3,025	4,976	7,648	8,576	24,225	9,385	12,400	14,188	13,646	49,619	17,540	21,006
Amortization of acquired intangibles	56	136	135	137	464	135	136	136	473	880	1,176	1,442	1,515	1,487	5,620	1,460	1,351
Stock repurchase	-	-	1,965	-	1,965	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition related expenses	1,126	38	-	-	1,164	-	-	137	362	499	217	58	35	-	310	-	-
Release of tax liability upon obligation settlement and estimate revisions	-	-	-	-	-	-	-	-	(805)	(805)	(920)	(12,161)	-	(284)	(13,365)	-	-
Gain on lease termination	-	-	-	-	-	-	-	-	-	-	(295)	-	-	-	(295)	-	-
Payroll taxes related to stock-based compensation	-	-	-	-	-	-	-	-	434	434	1,450	604	595	301	2,950	564	1,811
Charitable contribution	-	-	-	-	-	-	-	3,860	3,860	3,860	-	-	-	1,172	1,172	-	-
Non-GAAP income (loss) from operations	\$ (5,967)	\$ (7,364)	\$ (4,603)	\$ (4,989)	\$ (22,923)	\$ (3,206)	\$ (5,741)	\$ (3,355)	\$ 80	\$ (12,222)	\$ (3,742)	\$ (4,727)	\$ (7,698)	\$ (3,896)	\$ (20,063)	\$ (4,693)	\$ 2,210
Non-GAAP operating margin	(18%)	(19%)	(10%)	(10%)	(14%)	(5%)	(9%)	(5%)	0%	(4%)	(4%)	(5%)	(8%)	(3%)	(5%)	(4%)	1%



SendGrid
Reconciliation to Non-GAAP Financial Measures

(In thousands, except share and per share amounts)

	For the three months ended					For the three months ended					For the three months ended					For the three months ended	
	March 31 2015	June 30 2015	September 30 2015	December 31 2015	Year Ended Dec 31, 2015	March 31 2016	June 30 2016	September 30 2016	December 31 2016	Year Ended Dec 31, 2016	March 31 2017	June 30 2017	September 30 2017	December 31 2017	Year Ended Dec 31, 2017	March 31 2018	June 30 2018
Total Revenue	\$ 12,885	\$ 14,146	\$ 14,985	\$ 16,460	\$ 58,476	\$ 17,125	\$ 19,032	\$ 20,701	\$ 23,071	\$ 79,929	\$ 24,831	\$ 27,012	\$ 28,316	\$ 31,729	\$ 111,888	\$ 32,569	\$ 35,675
Gross profit	\$ 8,627	\$ 9,629	\$ 10,094	\$ 11,165	\$ 39,515	\$ 11,888	\$ 13,666	\$ 15,309	\$ 17,461	\$ 58,324	\$ 18,360	\$ 19,738	\$ 20,704	\$ 23,579	\$ 82,381	\$ 24,081	\$ 26,870
Non-GAAP adjustments:																	
Stock-based compensation	13	23	26	35	97	30	32	30	39	131	53	97	186	137	473	202	324
M&A expense	-	-	-	-	-	-	-	-	-	-	18	20	9	20	67	20	20
Non-GAAP gross profit	\$ 8,640	\$ 9,652	\$ 10,120	\$ 11,200	\$ 39,612	\$ 11,918	\$ 13,698	\$ 15,339	\$ 17,500	\$ 58,455	\$ 18,431	\$ 19,855	\$ 20,899	\$ 23,736	\$ 82,921	\$ 24,303	\$ 27,214
Non-GAAP gross margin	67%	68%	68%	68%	68%	70%	72%	74%	76%	73%	74%	74%	74%	75%	74%	75%	76%
Research and development	\$ 4,636	\$ 4,529	\$ 4,783	\$ 5,011	\$ 18,959	\$ 5,238	\$ 5,105	\$ 5,289	\$ 5,546	\$ 21,178	\$ 6,524	\$ 7,139	\$ 7,545	\$ 8,435	\$ 29,643	\$ 8,934	\$ 9,871
Non-GAAP adjustments:																	
Stock-based compensation	(95)	(62)	(108)	(114)	(379)	(137)	(120)	(146)	(149)	(552)	(147)	(215)	(387)	(545)	(1,294)	(594)	(1,114)
M&A expense	-	-	-	-	-	-	-	-	-	-	-	(195)	(147)	(203)	(545)	(154)	(128)
Non-GAAP research and development	\$ 4,541	\$ 4,467	\$ 4,675	\$ 4,897	\$ 18,580	\$ 5,101	\$ 4,985	\$ 5,143	\$ 5,397	\$ 20,626	\$ 6,377	\$ 6,729	\$ 7,011	\$ 7,687	\$ 27,804	\$ 8,186	\$ 8,629
Non-GAAP research and development as % of revenue	35%	32%	31%	30%	32%	30%	26%	25%	23%	26%	26%	25%	25%	24%	25%	25%	24%
Sales and marketing	\$ 3,081	\$ 3,360	\$ 3,403	\$ 3,893	\$ 13,737	\$ 4,507	\$ 5,447	\$ 5,357	\$ 6,489	\$ 21,800	\$ 6,588	\$ 6,870	\$ 7,124	\$ 7,603	\$ 28,185	\$ 7,936	\$ 8,707
Non-GAAP adjustments:																	
Stock-based compensation	(57)	(31)	(49)	(56)	(193)	(77)	(83)	(105)	(137)	(402)	(135)	(180)	(281)	(303)	(899)	(224)	(409)
M&A expense	-	-	-	-	-	-	-	-	-	-	(12)	6	(5)	(5)	(16)	(5)	(4)
Certain IPO costs	-	-	-	-	-	-	-	-	-	-	-	-	-	(230)	(230)	-	-
Non-GAAP sales and marketing	\$ 3,024	\$ 3,329	\$ 3,354	\$ 3,837	\$ 13,544	\$ 4,430	\$ 5,364	\$ 5,252	\$ 6,352	\$ 21,398	\$ 6,441	\$ 6,696	\$ 6,838	\$ 7,065	\$ 27,040	\$ 7,707	\$ 8,294
Non-GAAP sales and marketing as % of revenue	23%	24%	22%	23%	23%	26%	28%	25%	28%	27%	26%	25%	24%	22%	24%	24%	23%
General and administrative	\$ 2,709	\$ 3,063	\$ 3,087	\$ 3,618	\$ 12,477	\$ 3,942	\$ 4,557	\$ 4,592	\$ 5,829	\$ 18,920	\$ 7,044	\$ 6,494	\$ 7,684	\$ 8,879	\$ 30,101	\$ 8,866	\$ 9,165
Non-GAAP adjustments:																	
Stock-based compensation	(209)	(120)	(192)	(185)	(706)	(187)	(213)	(213)	(201)	(814)	(253)	(300)	(442)	(1,318)	(2,313)	(808)	(965)
M&A expense	-	-	-	-	-	-	-	-	-	-	(227)	(5)	(29)	(5)	(266)	12	(5)
Certain IPO costs	-	-	-	-	-	-	-	-	(98)	(98)	(160)	(166)	(720)	(655)	(1,701)	-	1
Restructuring expense	-	-	-	-	-	-	(135)	(17)	(233)	(385)	(847)	(167)	(112)	(32)	(1,158)	(276)	(174)
Non-GAAP general and administrative	\$ 2,500	\$ 2,943	\$ 2,895	\$ 3,433	\$ 11,771	\$ 3,755	\$ 4,209	\$ 4,362	\$ 5,297	\$ 17,623	\$ 5,557	\$ 5,856	\$ 6,381	\$ 6,869	\$ 24,663	\$ 7,794	\$ 8,022
Non-GAAP general and administrative as % of revenue	19%	21%	19%	21%	20%	22%	22%	21%	23%	22%	22%	22%	23%	22%	22%	24%	22%
Loss (gain) on disposal of assets	\$ 1	\$ -	\$ 1	\$ (1)	\$ 1	\$ 27	\$ -	\$ -	\$ -	\$ 27	\$ -	\$ 2	\$ -	\$ 20	\$ 22	\$ 62	\$ -
Loss from operations	\$ (1,800)	\$ (1,323)	\$ (1,180)	\$ (1,356)	\$ (5,659)	\$ (1,826)	\$ (1,443)	\$ 71	\$ (403)	\$ (3,601)	\$ (1,796)	\$ (767)	\$ (1,649)	\$ (1,358)	\$ (5,570)	\$ (1,717)	\$ (873)
Non-GAAP adjustments:																	
Stock-based compensation	374	236	375	390	1,375	431	448	494	526	1,899	588	792	1,296	2,303	4,980	1,828	2,812
M&A expense	-	-	-	-	-	-	-	-	-	-	257	214	190	233	894	167	157
Certain IPO costs	-	-	-	-	-	-	-	-	98	98	160	166	720	885	1,931	-	(1)
Restructuring expense	-	-	-	-	-	-	135	17	233	385	847	167	112	32	1,158	276	174
Non-GAAP income (loss) from operations	\$ (1,426)	\$ (1,087)	\$ (805)	\$ (966)	\$ (4,284)	\$ (1,395)	\$ (860)	\$ 582	\$ 454	\$ (1,219)	\$ 56	\$ 572	\$ 669	\$ 2,095	\$ 3,393	\$ 554	\$ 2,269
Non-GAAP operating margin	(11%)	(8%)	(5%)	(6%)	(7%)	(8%)	(5%)	3%	2%	(2%)	0%	2%	2%	7%	3%	2%	6%