



NASDAQ: VERX

Investor Presentation
May – June 2026



Safe Harbor

Forward Looking Statements

Any statements made in this presentation that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. Forward-looking statements are based on Vertex management's beliefs, as well as assumptions made by, and information currently available to, them. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. Factors which may cause actual results to differ materially from current expectations include, but are not limited to: our ability to attract new customers on a cost-effective basis and the extent to which existing customers renew and upgrade their subscriptions; our ability to sustain and expand revenues, maintain profitability, and to effectively manage our anticipated growth; our ability to maintain and expand our strategic relationships with third parties; and the other factors described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 as filed with the Securities Exchange Commission ("SEC") and the Company's subsequent filings with the SEC. Copies of each filing may be obtained from the Company or the SEC. All forward-looking statements reflect our beliefs and assumptions only as of the date of this presentation. We undertake no obligation to update forward-looking statements to reflect future events or circumstances.

Definitions of Certain Key Business Metrics

Annual Recurring Revenue ("ARR") – We derive the vast majority of our revenues from recurring software subscriptions. We believe ARR provides us with visibility to our projected software subscription revenues in order to evaluate the health of our business. Because we recognize subscription revenues ratably, we believe investors can use ARR to measure our expansion of existing customer revenues, new customer activity, and as an indicator of future software subscription revenues. ARR is based on monthly recurring revenues ("MRR") from software subscriptions for the most recent month at period end, multiplied by twelve. MRR is calculated by dividing the software subscription price, inclusive of discounts, by the number of subscription covered months. MRR only includes customers with MRR at the end of the last month of the measurement period.

Net Revenue Retention Rate ("NRR") – We believe that our NRR provides insight into our ability to retain and grow revenues from our customers, as well as their potential long-term value to us. We also believe it demonstrates to investors our ability to expand existing customer revenues, which is one of our key growth strategies. Our NRR refers to the ARR expansion during the 12 months of a reporting period for all customers who were part of our customer base at the beginning of the reporting period. Our NRR calculation takes into account any revenues lost from departing customers or customers who have downgraded or reduced usage, as well as any revenue expansion from migrations, new licenses for additional products or contractual and usage-based price changes.

Use and Reconciliation of Non-GAAP Financial Measures

In addition to our results determined in accordance with accounting principles generally accepted in the U.S. ("GAAP"), we have calculated non-GAAP cost of revenues, non-GAAP gross profit, non-GAAP gross margin, non-GAAP research and development expense, non-GAAP selling and marketing expense, non-GAAP general and administrative expense, non-GAAP operating income, non-GAAP net income, non-GAAP diluted EPS, Adjusted EBITDA, Adjusted EBITDA margin, free cash flow and free cash flow margin, which are each non-GAAP financial measures. We have provided tabular reconciliations of each of these non-GAAP financial measures used in this presentation to its most directly comparable GAAP financial measure.

Management uses these non-GAAP financial measures to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, and to evaluate financial performance and liquidity. Our non-GAAP financial measures are presented as supplemental disclosure as we believe they provide useful information to investors and others in understanding and evaluating our results, prospects, and liquidity period-over-period without the impact of certain items that do not directly correlate to our operating performance and that may vary significantly from period to period for reasons unrelated to our operating performance, as well as comparing our financial results to those of other companies. Our definitions of these non-GAAP financial measures may differ from similarly titled measures presented by other companies and therefore comparability may be limited. In addition, other companies may not publish these or similar metrics. Thus, our non-GAAP financial measures should be considered in addition to, not as a substitute for, or in isolation from, the financial information prepared in accordance with GAAP financial measures, and should be read in conjunction with the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2025 and in our other reports periodically filed with the SEC.

Market & Industry Data

Market data and industry information used throughout this presentation are based on management's knowledge of the industry and the good faith estimates of management. The Company also relied, to the extent available, upon management's review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such assumptions and resulting estimates. Although the Company believes that these sources are reliable, the Company cannot guarantee the accuracy or completeness of this information, and the Company has not independently verified this information. While the Company believes the estimated market position, market opportunity and market size information included in this presentation are generally reliable, such information, which is derived in part from management's estimates and beliefs, is inherently uncertain and imprecise. No representations or warranties are made by the Company, any of its affiliates or underwriters as to the accuracy of any such statements or projections. Projections, assumptions and estimates of the Company's future performance and the future performance of the industry in which the Company operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in the Company's estimates and beliefs and in the estimates prepared by independent parties.

Company & Strategy Overview

Driving Durable Growth by
Solving Indirect Tax Complexity



Global Leader in Tax Technology

- ✓ Established indirect tax industry leader with significant competitive advantages
- ✓ Proven track record of driving durable growth at scale
- ✓ Attractive margins and strong profitability
- ✓ Mission critical partner to highly loyal and attractive customer base with complex needs
- ✓ Expanding ecosystem partnerships that have the potential to accelerate customer acquisition and growth
- ✓ Artificial Intelligence is improving internal productivity and efficiency while expanding our competitive advantage.

16%

Annual Recurring Revenue CAGR
2020-2025 ⁽¹⁾

95%

Gross Retention Rate ⁽²⁾

29%

Cloud Subscription CAGR
2021-2025 ⁽¹⁾

>60%

Fortune 500 ⁽¹⁾

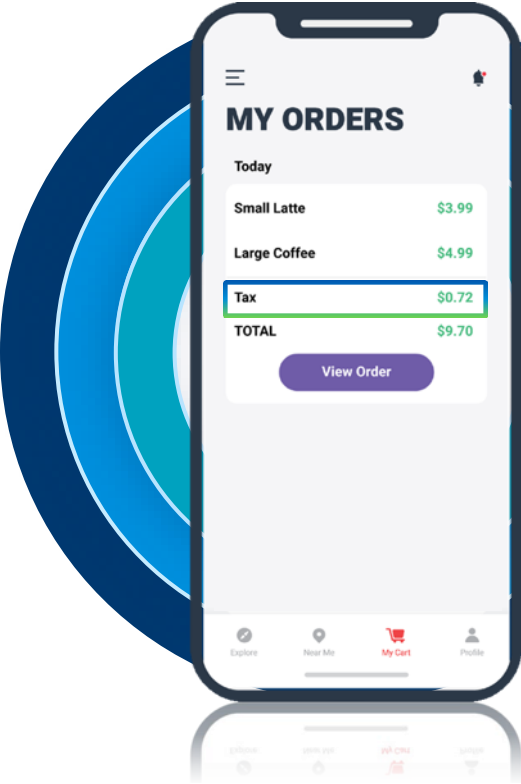
85%

Subscription Revenue
as % of Revenue ⁽²⁾

89%

Scaled Customer Count Growth
2020-2025 ⁽¹⁾⁽³⁾

Indirect Taxes Encompass High Degree of Complexity



BILLIONS
of transactions

THOUSANDS
of taxing jurisdictions

THOUSANDS
of products and services

In **REAL-TIME**
spanning **OMNICHANNEL** platforms

And **ACROSS THE GLOBAL**
SUPPLY CHAIN



\$4.4T
Global
Indirect Tax
Revenue⁽¹⁾

3.1X Greater Than
Corporate Income
Tax Revenue ⁽¹⁾

Multiple Secular Growth Drivers

Benefiting from Constant State of Change

Digital Transformation

Technology Refresh

Cloud Adoption

SaaS

IoT

PayTech

Business Complexity

Globalization

Product Expansion

M&A

Omnichannel

Supply Chain

Marketplaces

Regulatory Change

E-invoicing

Real-time Reporting

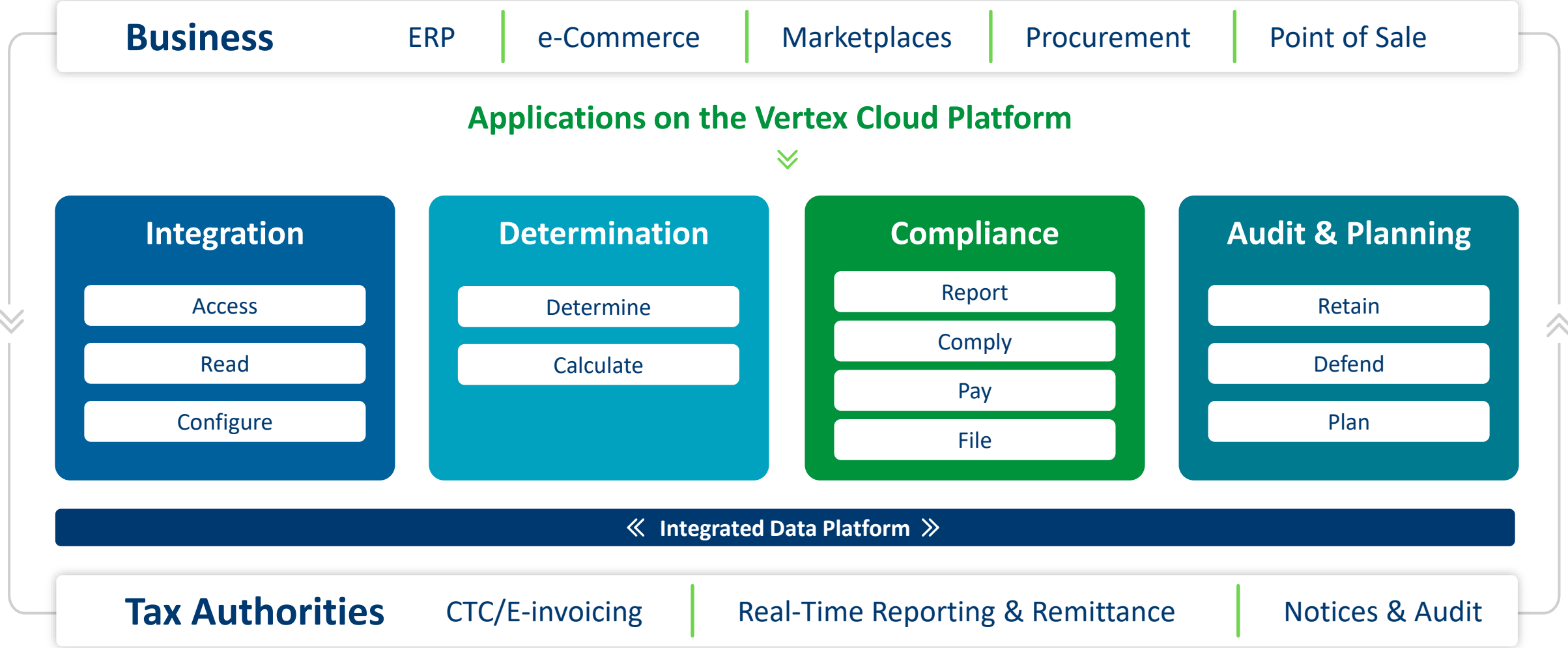
Digital Services

Duties & Fees

Audit

Cross-Border

Unmatched End-to-End Indirect Tax Solutions



A Complete Ecosystem of Comprehensive Solutions

Applications

Integration

Determination

Compliance

Audit & Planning

Vertex Solutions

Services provide broad range of administrative, operational, and optimization support

- Implementation Services
- System Optimization Services
- Managed Services Outsourcing

Supports every step of the tax determination process

- Vertex O Series
 - Sales Tax
 - Consumers Use Tax (CUT)
 - Value Added Tax (VAT)
 - Goods & Services Tax (GST)
- O Series Edge
- Vertex ERP Accelerators
- O Series for Retail
- Lat/Long Jurisdiction Locator
- Address Cleansing
- PLUS Tools for SAP ERP

Streamlines returns and filings to local tax authorities

- Certificate Center
- Sales and Use Tax Compliance
- Indirect Tax Returns North America
- VAT Compliance
- e-Invoicing
- Vertex for e-Commerce
- Vertex for Marketplaces
- Vertex Advantage Plus
- Vertex Validator
- Vertex Invoice IQ

Unlocks the value of data to improve compliance and audit performance

- Vertex Data Integrity
- Vertex Indirect Tax Intelligence

Comprehensive Tax Content Database

Key Competitive Advantage

1 Billion+

Tax Rates and Rules
Continually Updated ⁽¹⁾

20,000+

Global
Jurisdictions ⁽¹⁾

AI Capabilities

Strengthened with
Humans In-the-Loop

**Industry-Specific
Content**

Retail
Manufacturing
Communications Services
Medical/Healthcare
Lodging
Leasing
Construction
Banking
Services

195

Countries
Supported ⁽¹⁾

100+

Tax Experts
Worldwide ⁽¹⁾

SSAE 18

Certified Research
Process

Mission Critical Partner to Highly Attractive Customer Base

Best-in-Class Solutions to Highly Complex Needs Drive Embedded Customer Relationships



9

of the Top 10
Business
Services



7

of the Top 10
Communications
& Transport



8

of the Top 10
Financial
Services



8

of the Top 10
Manufacturing



5

of the Top 10
AI Industry
Leaders ⁽⁴⁾



6

of the Top 10
Retail



6

of the Top 10
Wholesale
Trade

4,895 ⁽¹⁾ Direct Customers

>60% ⁽²⁾ Of the Fortune 500

95% ⁽³⁾ GRR

Top 50 Customers by ARR Have Average Tenure of 20 Years

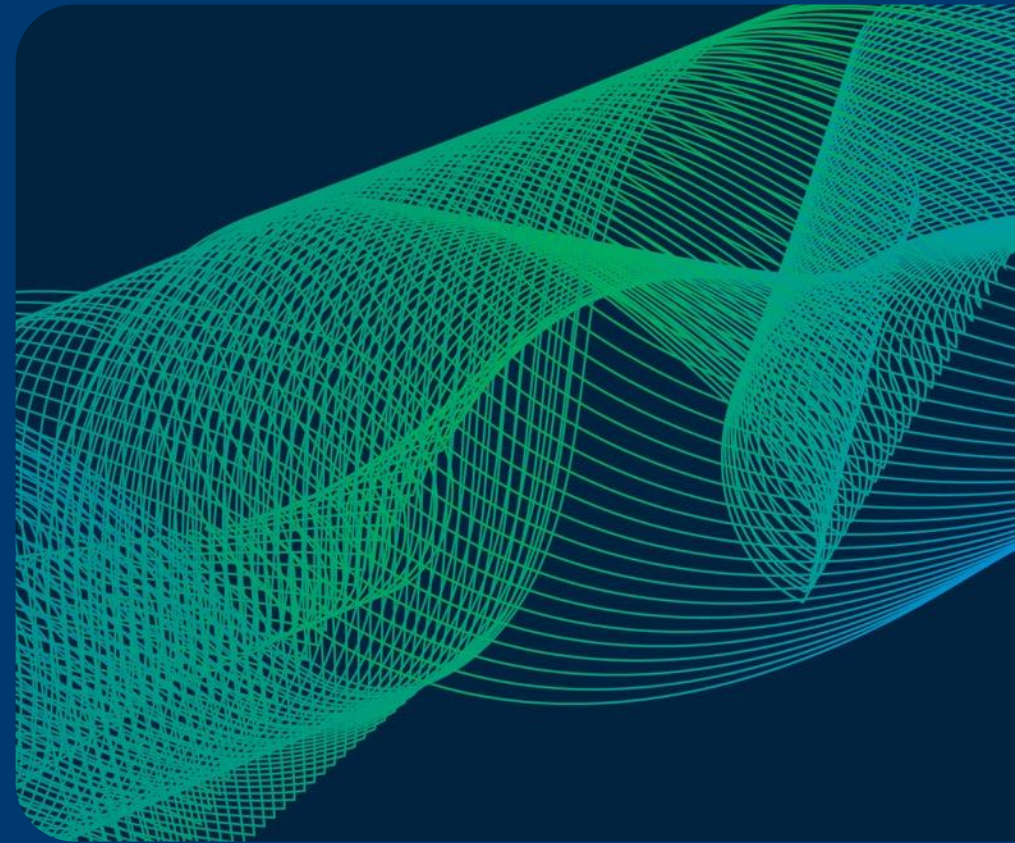
(1) Vertex direct customers are based on the Vertex active customer list as of March 31, 2026

(2) Top 10 companies within the Fortune 500 by industry are based on annual revenue as of December 31, 2024

(3) Based on information as of March 31, 2026

(4) Based on CIO Magazine Most Powerful AI Companies ranking, March 2026

Artificial Intelligence Strategy Overview



Vertex's AI Moat: Why AI Expands Our Advantage

Deterministic Core with Auditable Outcomes

- Enterprise tax must be **100% correct, explainable, and repeatable – every single time**
- This is a structural constraint – not a timing constraint

Proprietary Process for Tax Law Interpretation

- **Ambiguous legislation must become auditable rules**
- Interpretation, prior precedent, reconciliation, and audit traceability are essential
- This represents institutional knowledge - not web-scraped content

Deeply Embedded in Enterprise Order-to-Cash Workflows

- **Vertex sits between our customers and government tax audits**
- Integrations can include ERP, compliance, commerce, tax returns and audit workflows
- Switching costs include heightened risk of audits and disputes

Complexity is an Economic Moat

- **Vertex optimizes for multi-entity, multi-jurisdiction, frequently-audited enterprises**
- AI-native tools optimize for simplicity and SMB use cases
- Complexity increases switching costs – and pricing power.

AI as an Offensive Weapon

- **AI expands workflow ownership beyond tax determination**
- AI improves productivity across Vertex's operations, including engineering, sales, support, and services
- AI increases stickiness, pricing power, and margin

Vertex is the System of Record for Enterprise Indirect Tax Compliance – and is using AI to Expand that Market Position

AI Product Strategy

Improving the way customers work with an AI-powered Vertex platform



Co-Pilots

Enhance user experience through automation achieving intents and knowledge guidance.



Data Insights

Leveraging AI agents to detect patterns and anomalies in data.



AI-Infused User Experience

Enhance usability, streamline workflows and improve overall productivity.



Ecosystem AI

Streamline workflows and connect across business processes.

- ✔ Pragmatic application of AI with targeted use cases
- ✔ Responsible AI & Governance
- ✔ Human + AI Collaboration
- ✔ Vertex Platform and Microsoft, Oracle, SAP ecosystem focus



Smart Categorization Solution Summary

Smart Categorization is an AI-powered application that automates the classification of products into correct taxability categories and drives greater accuracy for O Series configuration. It reduces manual effort, minimizes errors, and ensures O Series is optimized for precise tax determination across jurisdictions.

- Uses Generative AI Large Language Models (LLMs) to interpret product descriptions and attributes and automatically assign the right category.
- Employs Tax Smart AI Models with Human-in-the-Loop governance, combining automation with expert oversight for accuracy.
- Maintains strict data security: Customer data never becomes part of the LLM and is never stored on LLM servers.

*Multiple six-figure sales
to large enterprise
customers since
general availability
in 2025*

Companies may carry more than 30,000 items.

These products can be classified hundreds of ways based on ingredients, components, package type, size, quantity and more



Product Classification
for Taxability



With over 12,000 taxing jurisdictions in the U.S., each with unique levels of granularity that define product taxability, companies are forced to know and classify their catalogs at the lowest level of granularity to ensure tax accuracy wherever they do business.

Where Smart Categorization helps

Volume and Granularity

Recurring Product Categorization for Supply Chain Management

Manual tax categorization for ever-changing new products is time-consuming, cumbersome, and error-prone.

Complex, Seasonal or Other SKU Fluctuation

Frequent SKU changes, whether daily, weekly, or monthly – can create taxability issues.

Validating Entire Product Catalog Sets

Manual validation of complex catalogs is time-consuming and challenging, increasing audit risk. Inconsistencies in categorization and jurisdictional changes may lead to unnecessary liability and surprises.

New Customer, LOB, and M&A Implementation

Implementing a new system, additional platforms, or unfamiliar product and services is difficult. Managing product lines and inventory while maintaining consistency is a challenge.

Examples of AI Use to Drive Internal Efficiency

Managed Services

- Reduce manual effort and strengthen competitiveness

Sales

- Boost precision targeting and seller effectiveness with AI insights, opportunity health, and coaching.

Tax Research

- Accelerate regulatory analysis and expand coverage while driving efficiency

Customer Success & Support

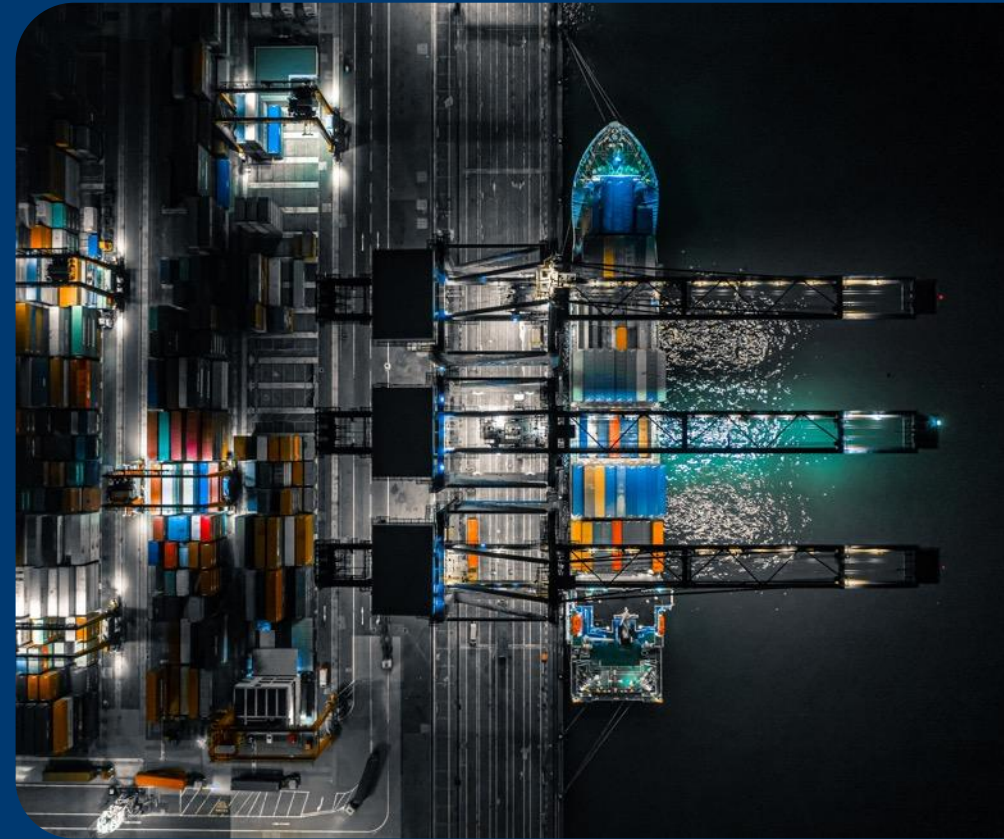
- Drive proactive, predictive care using AI routing, virtual assistants, telemetry, and knowledge base expansion.

Engineering

- Streamline workflows, increase quality, and speed delivery.

e-Invoicing Overview

Positioned to Win with
Comprehensive Solution



E-Invoicing Opportunity

\$7B
TAM

How we're
poised to win...

✓ The market is **highly fragmented**, and our existing global customers' **needs are evolving**

✓ We have **unique access to tax data** required to fulfill the mandates

✓ Compelling **combined value prop** with determination & compliance

✓ We have a solution built on a **modern tech stack** and a **scalable network**

“ With the advent of e-invoicing, no opportunity to correct anymore...Once you send it off, it's in the authorities' hands and clients worry any issues in determination cannot really be fixed or glossed over as part of the reporting process anymore...
Determination is 30% -> 50% in next 5 years due to flurry of e-invoicing mandates that will be a catalyst.”

– Big 4 Accounting Firm

“ While there are distinct buying units for each of the 60 countries in which [company] is established, the goal is to fully shift all countries ... [to one provider].”

– Director of Global Indirect Tax

E-Invoicing Challenges



Complexity challenges

Rapid emergence of new and proposed e-invoicing mandates in Europe and worldwide
Further push for digitization of indirect tax (including ViDA reforms and beyond)
New & emerging e-invoicing requirements add complexity/risk to the invoice-to-cash process



Compliance challenges

- Difficult to obtain accurate jurisdiction-specific data for e-invoicing mandates
- Responding to unique and rapidly evolving requirements for tax, compliance, and e-invoicing within each jurisdiction
- Tax authorities are increasing audit activity



Capacity challenges

- Limited technical skilled staff, labor shortages, competing priorities in tax, finance, and IT
- Managing multiple solutions & vendors to support e-invoicing and VAT mandates
- Agility to quickly scale to meet business needs
- Audit readiness



Cost & Systems challenges

- Financial costs, soft costs, Tax advisory costs
- Data security and confidentiality
- Stability and performance
- Maintenance, support, upgrades
- Integration support

The Vertex Way:

- ✓ Simplified indirect tax compliance
- ✓ Compliant e-Invoicing under a single vendor
- ✓ Global solution supporting multiple countries with latest e-invoice regulations
- ✓ e-Invoice creation, validation, submission & clearance on Peppol and/or other relevant jurisdictional portals
- ✓ Data extraction via seamless connection from multiple source financial systems
- ✓ e-Archive of approved e-invoices for audit readiness
- ✓ Consolidated dashboard for AR & AP e-invoicing provides global visibility, status updates, and document e-archive
- ✓ Reconciliation with VAT Compliance
- ✓ Data validation, conversion and reporting in a pre-defined standard data format

Each country requirement differs

Compliance Requirements:

- Regulations
- Mandates
- ViDA, VIES
- Deadlines
- Reporting
- Clearance
- Peppol
- Tracking
- Status
- Signatures
- QR-codes
- Validation
- Archiving
- Reconciliation
- SII, e-reporting
- Period reporting
- Penalties

Document Type Requirements:

- Standard Invoice
- Simplified invoice
- Non-tax invoices
- Commercial invoice
- Prepayment invoice
- Advance Payment Invoice
- Partial invoice
- Partial construction invoice
- Partial final construction invoice
- Final construction invoice
- Service provisioning invoice
- Self-billed invoices
- Shared expenses
- Corrected invoice
- Credit Note
- Debit Note
- Chargeback
- Chargeback receipt

Business Process Requirements:

- AR/AP
- Suppliers
- Vendors
- Cross-border
- B2G
- B2B
- B2C

Transmission Requirements:

- APIs
- UBL
- XML
- Data
- Formats
- Standards
- Time-stamps
- Digital

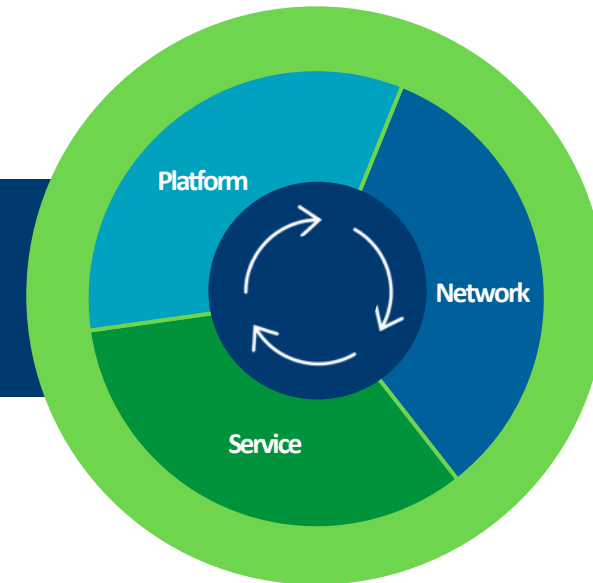
Single Gateway

The Vertex Solution

One Gateway, One System, Multi-Country

Vertex e-Invoicing

Built-in regulatory intelligence per country mandate delivering compliant e-invoicing for sales and purchase activity

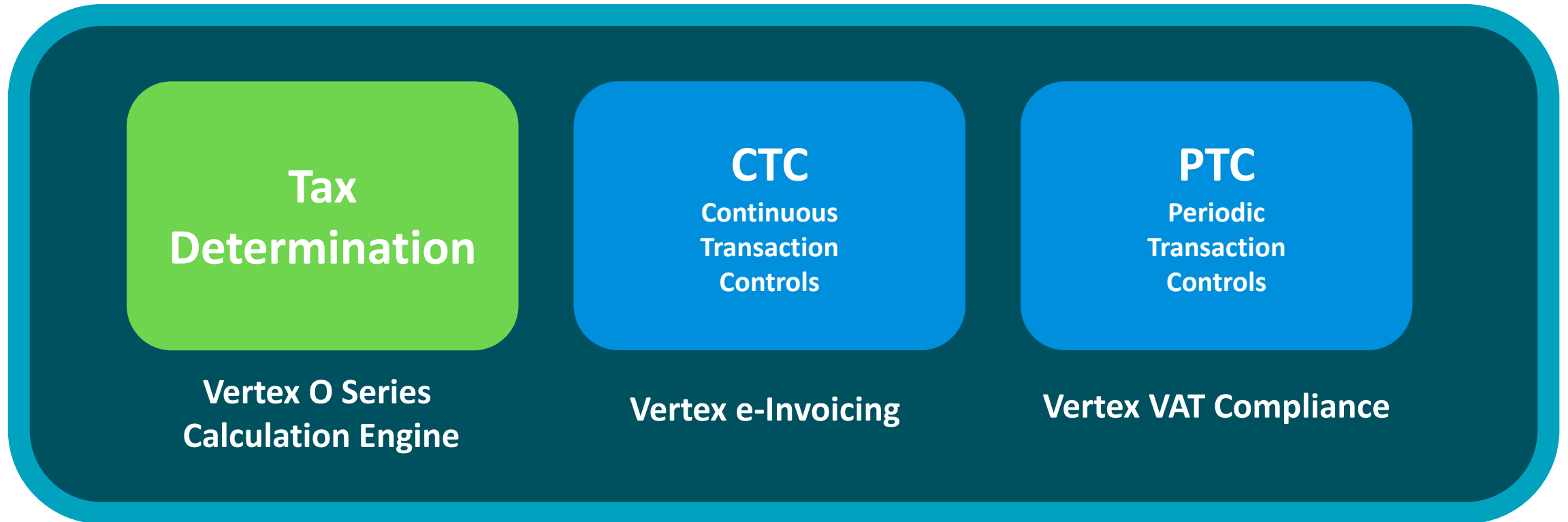


- ✓ Tech Hypergrowth Value
- ✓ Cost Efficiency
- ✓ Process Optimization

- ✓ Compliant e-invoicing
- ✓ Interoperability
- ✓ Extensibility

Single solution for global VAT compliance

Consistent indirect tax control for managing tax laws and regulations across jurisdictions, channels, and entities



Vertex cloud platform

Financial Overview & Outlook

Well-Positioned for
Durable Growth



Financial Highlights

Growth at Scale

- Consistent double-digit revenue growth, with cloud revenue growth in excess of 20 percent.
- Proven land-and-expand sales motion: ~70% of new revenue coming from existing customers every year.

Earnings Leverage

- 2026 Value Creation Plan driving accelerating earnings leverage while enabling investment in growth initiatives
- \$60-\$70 million of fully annualized cash savings

Clear Growth Opportunities

- Global compliance is significant new growth opportunity with the expansion of E-invoicing mandates.

FY 2025 Results ⁽¹⁾⁽²⁾

\$748M Total Revenue	\$671M ARR	\$162M Adj. EBITDA
12% Revenue Growth	28% Cloud Revenue Growth	22% Adj. EBITDA Margin

Q1 2026 Results ⁽¹⁾⁽²⁾

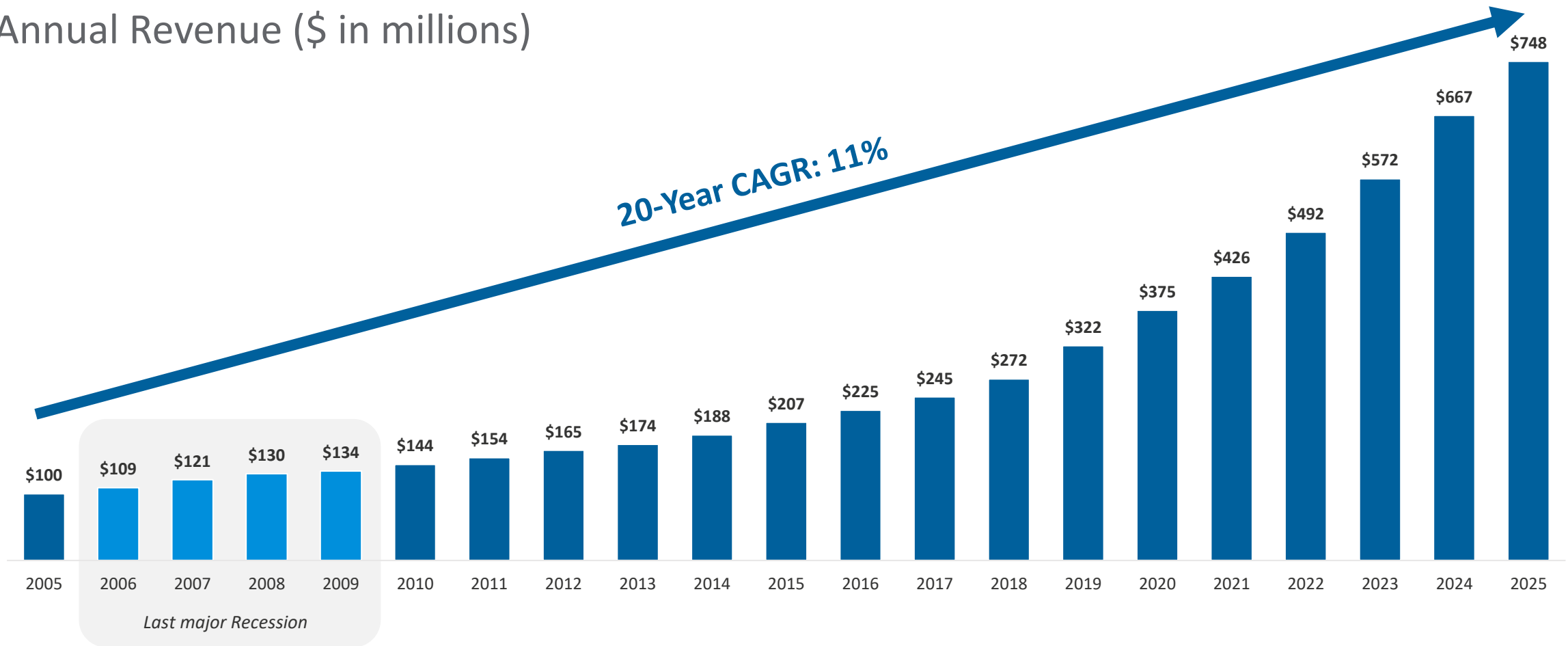
\$197M Total Revenue	\$687M ARR	\$44M Adj. EBITDA
11% Revenue Growth	21% Cloud Revenue Growth	22% Adj. EBITDA Margin

Notes:

1. Adjusted EBITDA is a non-GAAP measure. For a reconciliation to the nearest GAAP measure, please see the Appendix.
2. Margins reflect respective financial figures as a percentage of total revenues in each respective period.

Durable Revenue Growth Over the Long Haul

Annual Revenue (\$ in millions)



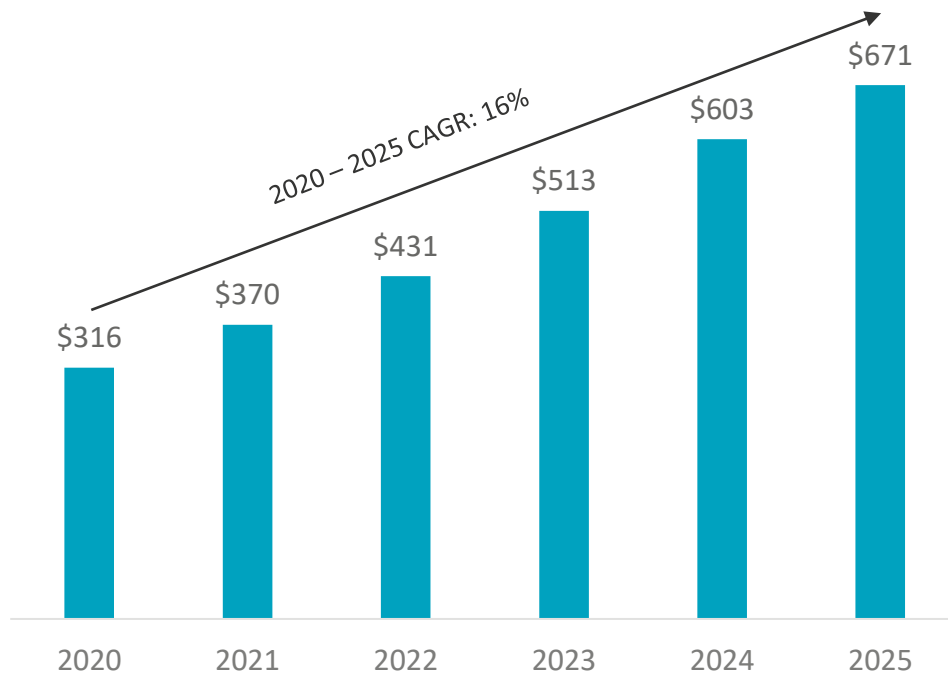
Notes:

1. 2005 through 2017 from unaudited financial statements. Revenue starting in 2018 reflects application of ASC 606

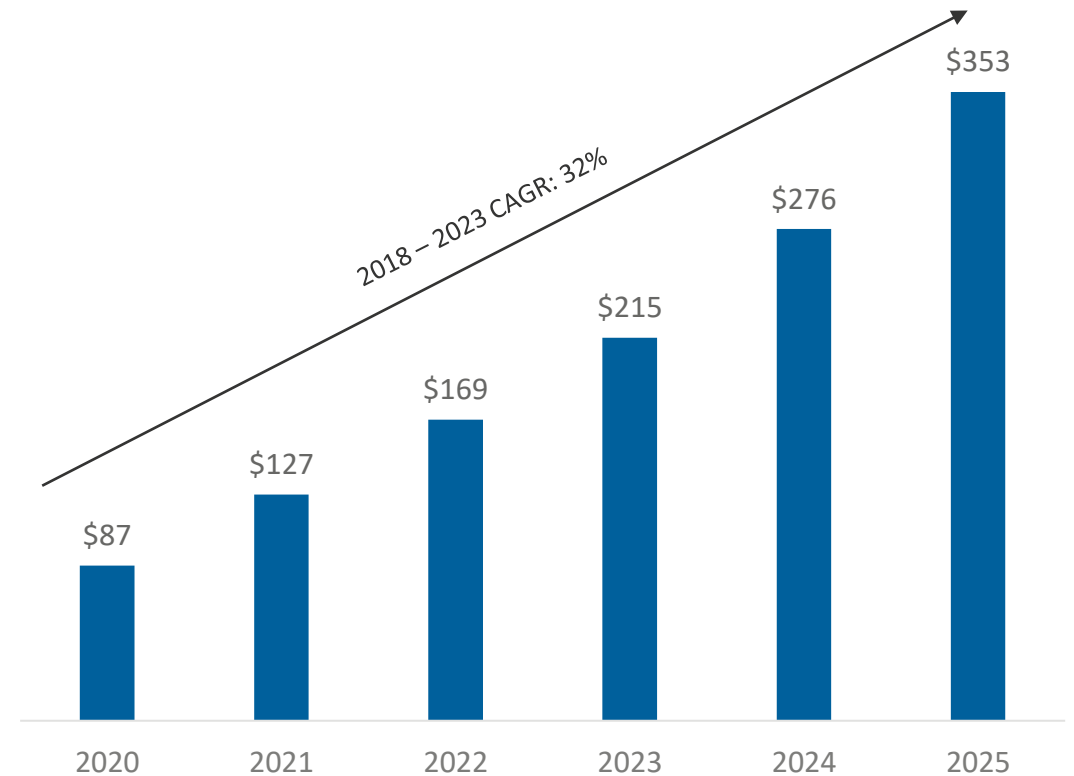
Strong Recurring Top-Line Performance, Highlighted by Rapid Growth in Cloud Revenue

Annual Recurring Revenue (ARR)

(\$ in Millions)

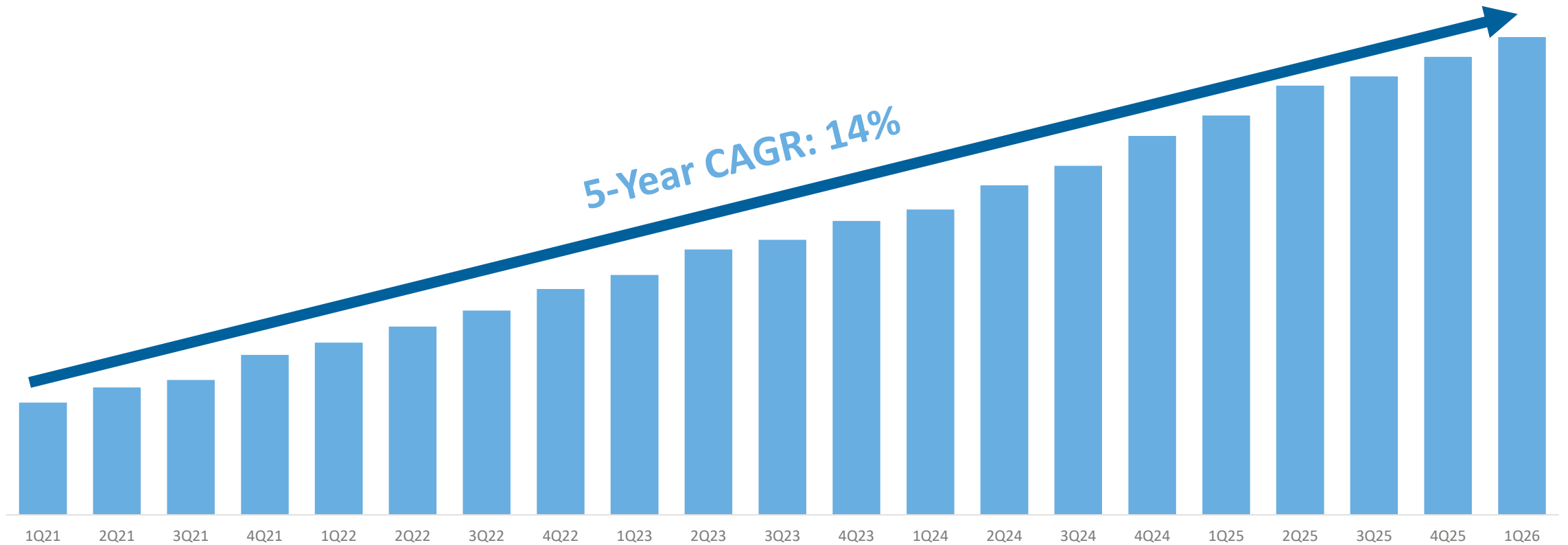


Cloud Subscription Revenue



Scaled Customers Fuel Vertex's Growth

Scaled customer count has nearly doubled since 2020



Notes:

1. Scaled customers defined as customers with annual revenues greater than \$100K

April 2026 Cost Actions

Overview

9%

workforce reduction

15%

reduction in outside
contractors

FY 2026 Impact

Q1 pretax charge of

\$6.2 million

Approximately

\$14-\$16 million

increase in 2026 AEBITDA

Fully annualized cash savings of
approximately

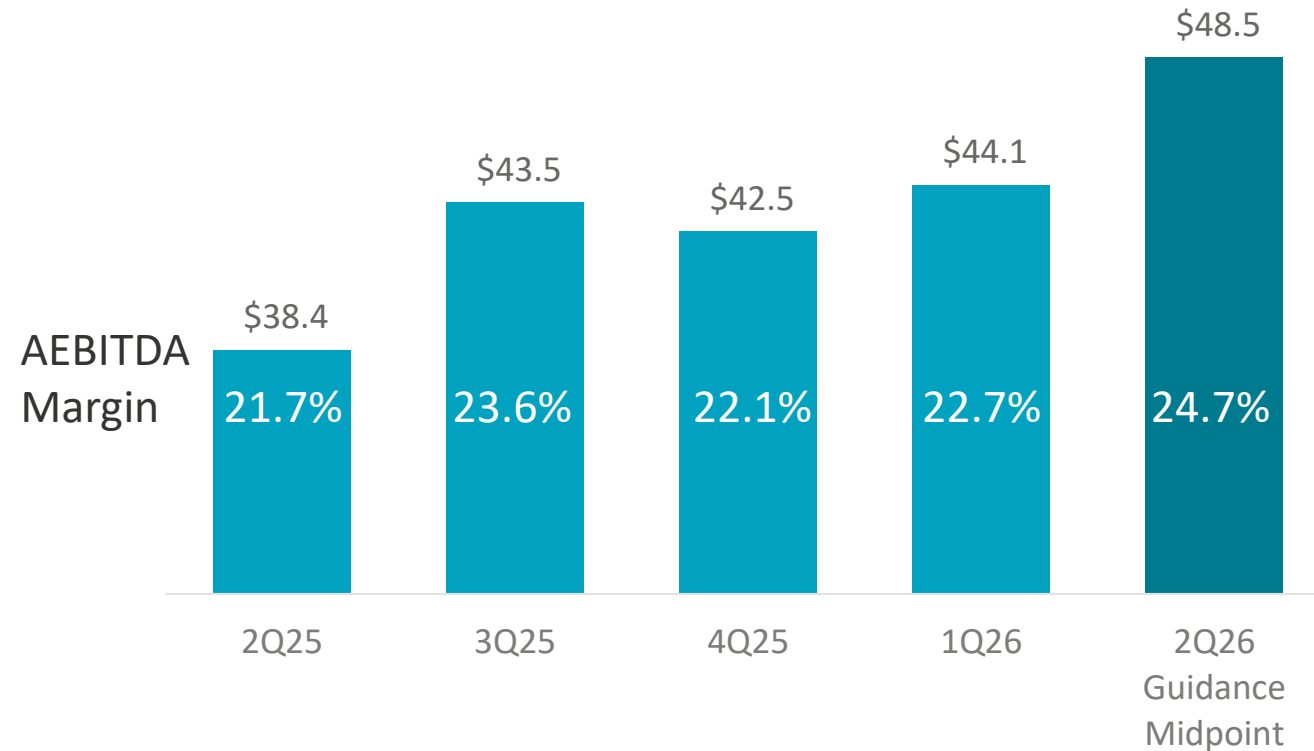
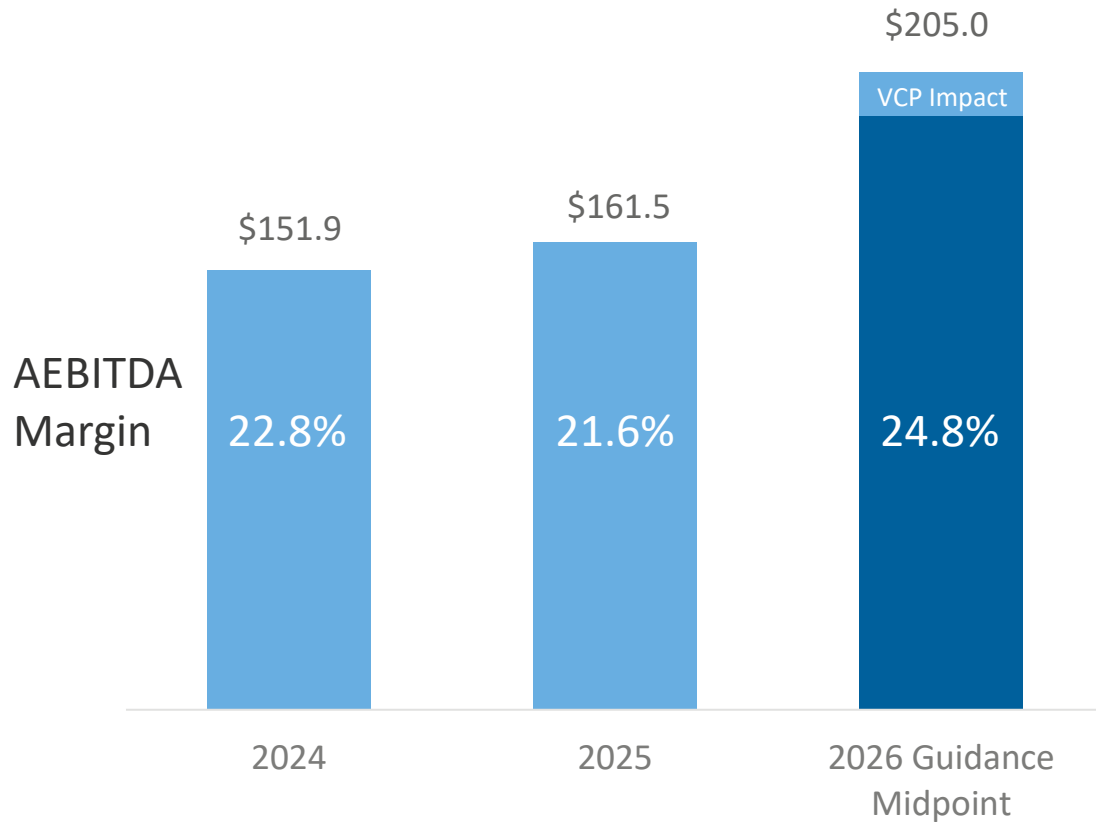
\$60 to \$70

million

per year beginning in 2027

Value Creation Plan Driving Stronger Profitability

Margins Inflecting due to 2026 Value Creation Plan



Notes:

- Adjusted EBITDA is a non-GAAP measure. For a reconciliation to the nearest GAAP measure, please see the Appendix.
- Margins reflect respective financial figures as a percentage of total revenues in each respective period.

Q2 and FY 2026 Financial Guidance

Q2 2026

FY 2026

Revenue expected to be

\$200 to \$204 million

Revenue expected to be

\$823.5 to \$831.5 million

25% Cloud Revenue Growth

Adjusted EBITDA expected to be

\$47 to \$50 million

Adjusted EBITDA expected to be

\$202 to \$208 million

Appendix



Adjusted EBITDA Reconciliation ⁽¹⁾

(\$ in Thousands)

	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26
Adjusted EBITDA													
Net Income (Loss)	(18,132)	(6,896)	(3,399)	15,334	2,684	5,164	7,221	(67,798)	11,130	(961)	4,045	(7,003)	(2,510)
Interest expense, net	(350)	(105)	597	4,022	286	181	(2,938)	(1,666)	(1,539)	(1,228)	(1,245)	(1,236)	(957)
Income tax expense (benefit)	9,553	2,929	784	(21,847)	(4,535)	2,200	613	56,360	(5,105)	(1,675)	1,520	5,628	(7,139)
Depreciation and amortization – property and equipment	3,741	3,878	3,782	3,801	5,006	5,212	5,214	5,521	5,880	6,187	6,372	6,373	6,442
Depreciation and amortization of capitalized software and acquired intangible assets – cost of subscription revenues	12,435	12,686	14,029	14,898	15,347	14,578	14,198	15,179	15,855	16,670	18,143	19,174	20,086
Amortization of acquired intangible assets - selling and marketing expense	766	684	596	595	595	592	706	585	531	571	588	587	525
Amortization of cloud computing implementation costs – general and administrative	-	631	919	1,020	994	995	1,005	1,013	1,006	1,018	871	843	1,037
Stock-based compensation expense	11,434	7,022	7,772	7,691	16,324	10,001	10,134	10,966	21,044	11,990	13,215	11,514	18,508
Severance expense	555	905	643	1,473	842	619	927	660	457	317	1,199	4,850	7,408
Acquisition contingent consideration	200	249	900	200	(800)	(1,575)	100	(300)	-	200	-	-	-
Litigation settlements	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of acquisition contingent earn-outs	-	-	-	-	-	-	-	17,500	(14,700)	2,300	(4,000)	(600)	(5,738)
Transaction costs	-	-	-	4,853	-	548	1,443	41	2,660	2,980	2,785	2,329	6,401
Adjusted EBITDA (\$)	20,202	21,983	26,623	32,040	36,743	38,515	38,623	38,061	37,219	38,369	43,493	42,459	44,063

Notes:

1. Adjusted EBITDA is a non-GAAP financial measure. The above table reconciles this non-GAAP financial measure to the most directly comparable GAAP financial measure. Refer to Form 10Q for the three months ended March 31, 2026 for additional information regarding the Company's use of this non-GAAP financial measure