Q4 2023 & Full Year Financial Results

February 13, 2024

Forward–looking statements and non-GAAP financial measures

This presentation contains forward-looking statements which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on estimates and information available to us at the time of this presentation and are not guarantees of future performance. Statements in this presentation involve risks, uncertainties and assumptions. If the risks or uncertainties materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking statements, including, but not limited to any statements regarding: our business outlook; launches of new or expansion of existing products or services, including GoDaddy Airo™, any projections of product or service availability, technology developments and innovation, customer growth, or other future events; historical results that may suggest future trends for our business; our plans, strategies or objectives with respect to future operations, partnerships and partner integrations and marketing strategy; future financial results; our ability to integrate acquisitions and achieve desired synergies and vertical integration; the expected impact of our debt repricing; our forecasted levels of future taxable income; and assumptions underlying any of the foregoing.

Actual results could differ materially from our current expectations as a result of many factors, including, but not limited to: the unpredictable nature of our rapidly evolving market; fluctuations in our financial and operating results; our rate of growth; interruptions or delays in our service or our web hosting; our dependence on payment card networks and acquiring processors; breaches of our security measures; the impact of any previous or future acquisitions or divestitures; our ability to continue to release, and gain customer acceptance of, our existing and future products and services; our ability to deploy new and evolving technologies, such as artificial intelligence, machine learning, data analytics and similar tools, in our offerings; our ability to manage our growth; our ability to hire, retain and motivate employees; the effects of competition; technological, regulatory and legal developments; intellectual property litigation; the impact of our restructuring efforts; macroeconomic conditions and developments in the economy, financial markets and credit markets; continued escalation of geopolitical tensions; the level of interest rates and inflationary pressures; and execution of share repurchases.

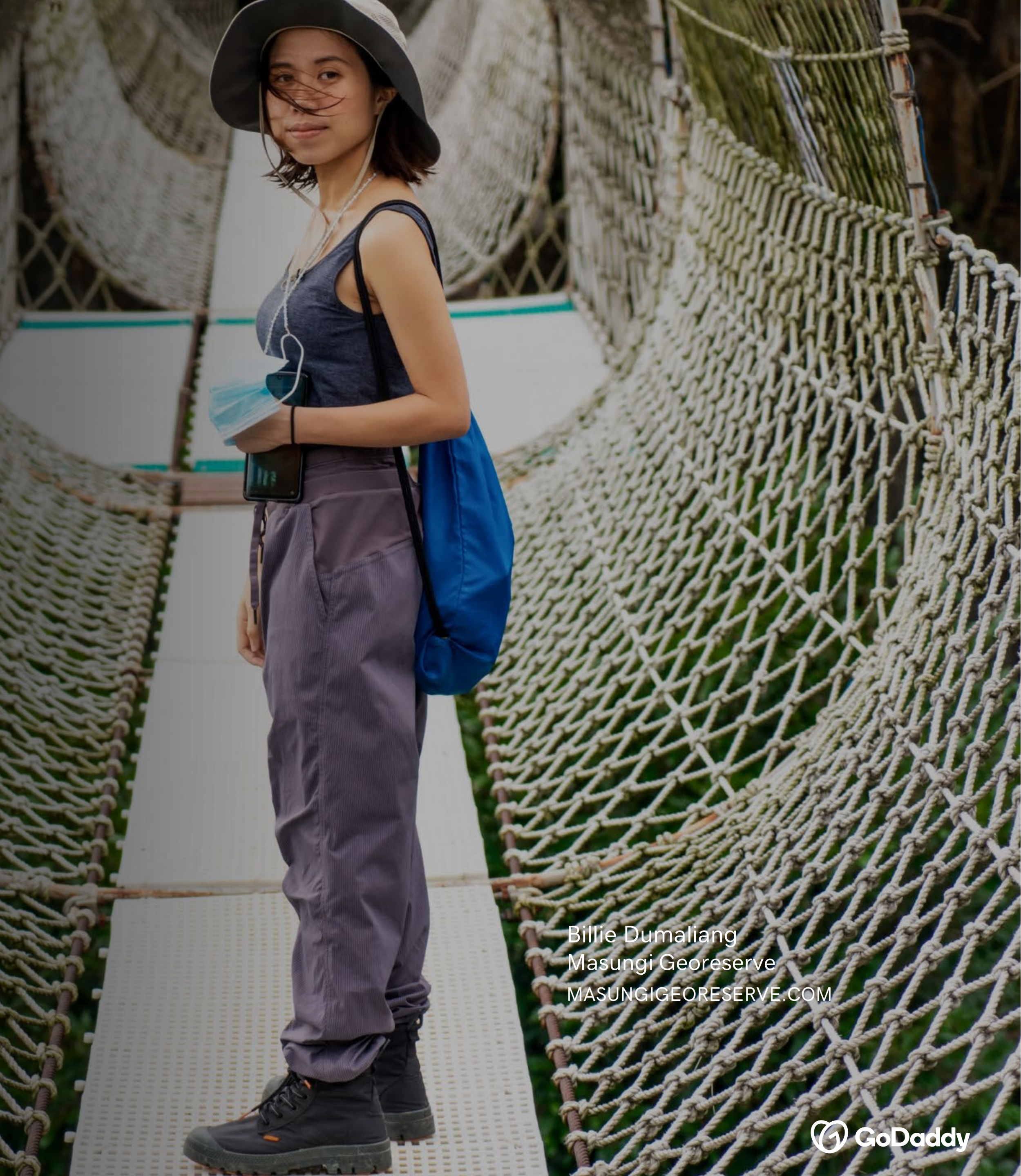
Additional risks and uncertainties that could affect GoDaddy's business and financial results are included in the filings we make with the SEC from time to time, including those described in "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2022 and in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, each of which are available on GoDaddy's website at https://investors.godaddy.net and on the SEC's website at www.sec.gov, and any subsequent quarterly or annual report filed with the SEC thereafter, including our annual report on Form 10-K for the year ended December 31, 2023. Additional information will also be set forth in other filings that GoDaddy makes with the SEC from time to time. All forward-looking statements in this presentation are based on information available to GoDaddy as of the date hereof. Except to the extent required by law, GoDaddy does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

In addition to our financial results prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), this presentation includes certain non-GAAP financial measures and other operating and business metrics. We believe that these non-GAAP financial measures and other operating and business metrics are useful as a supplement in evaluating our ongoing operational performance and enhancing an overall understanding of our past financial performance. The non-GAAP financial measures included in this presentation should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. In addition, similarly titled measures may be calculated differently by other companies and may not be comparable. A reconciliation between each non-GAAP financial measure and its nearest GAAP equivalent is included at the end of this presentation. We use both GAAP and non-GAAP measures to evaluate and manage our operations. GoDaddy does not provide reconciliations from non-GAAP guidance to GAAP equivalents because projections of changes in individual balance sheet amounts are not possible without unreasonable effort, and presentation of such reconciliations would imply an inappropriate degree of precision.

Our vision is to radically shift the global economy toward life-fulfilling entrepreneurial ventures.

Our mission is to empower entrepreneurs everywhere, making opportunity more inclusive for all.

Our strategy: Everyday entrepreneurs trust their ideas with us. We guide them to build their business digitally. Our global solutions seamlessly connect their identity and presence with commerce, leading to profitable growth.



Billie Dumaliang
Masungi Georeserve
MASUNGIGEORESERVE.COM

Strong 2023 financial performance

$4.3B
Total 2023 revenue

$1.1B
NEBITDA at 27% margin

$7.50
Free cash flow per share

As of December 31, 2023

Delivered on 2023 financial priorities

Key Metrics	FY 2023	FY 2022	Growth/ Expansion	Guidance*
Applications & Commerce Revenue	$1.430B	$1.280B	12%	8% - 10%
Normalized EBITDA Margin	27%	25%	~200 bps	~26%
Free Cash Flow	$1.084B	$969M	12%	$1.0B+
Free Cash Flow per share	$7.50	$6.20	21%	$7.00+

*Represents guidance issued on February 14, 2023.

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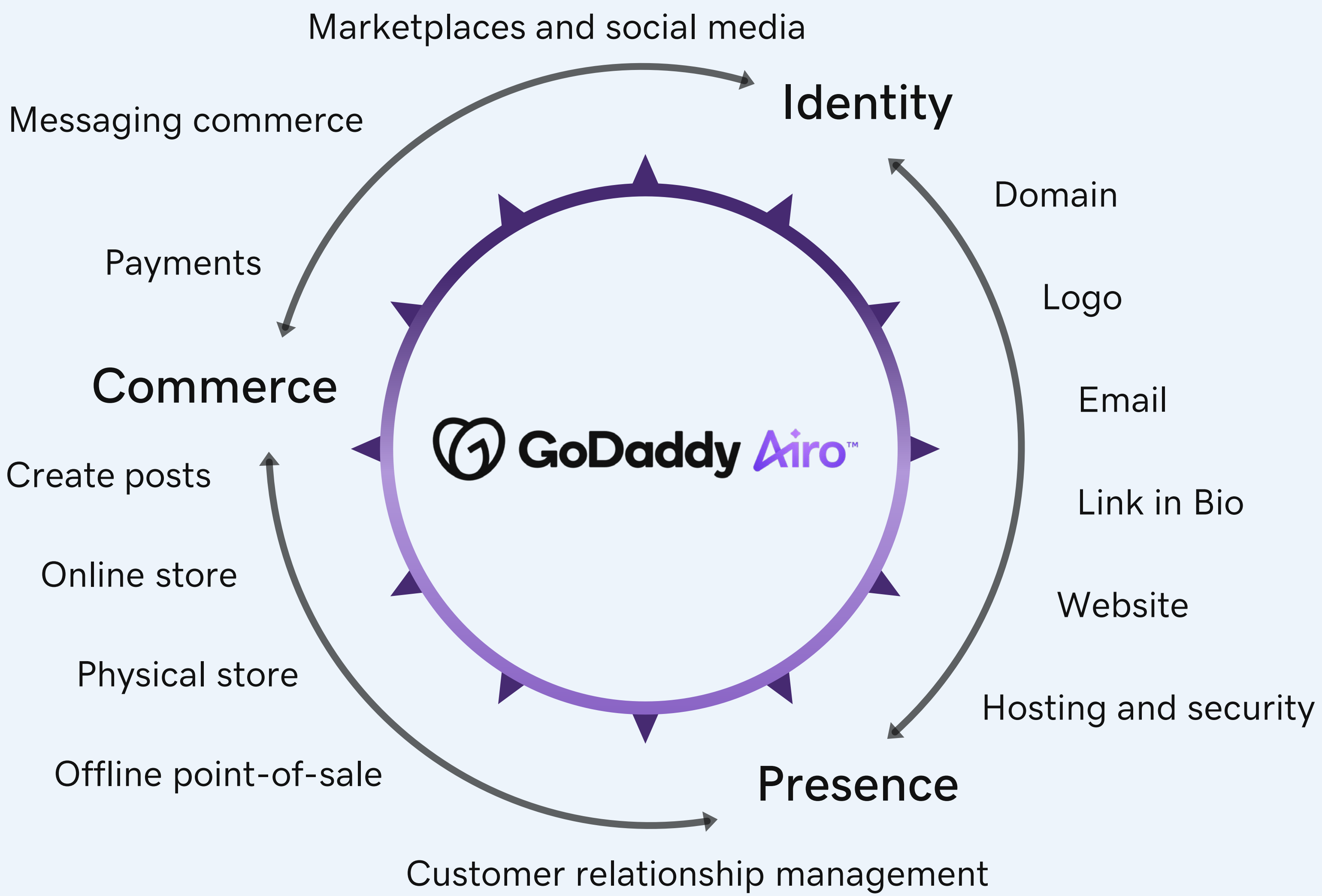
Partnering with our customers at every point on the Entrepreneur's Wheel



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Operating leverage: simplified tech stack

1. Reducing server footprint
2. Expanding access to global talent
3. Continuing innovations in internal technologies & AI
4. Leveraging powerful data from our software platform

Incremental operating leverage

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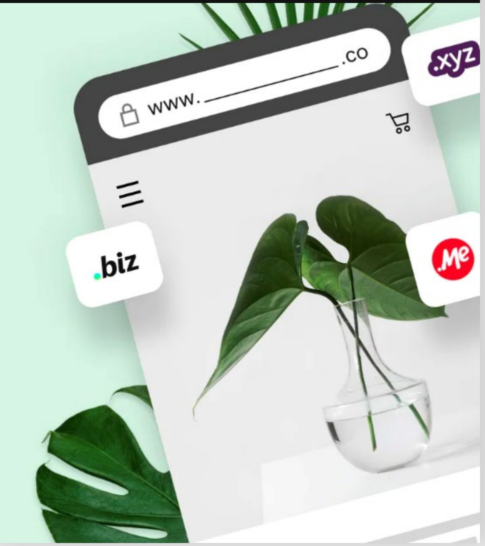
Deploying the power of Airo throughout the GoDaddy Ecosystem

Fast-tracking our customers' journey from product discovery to engagement to monetization

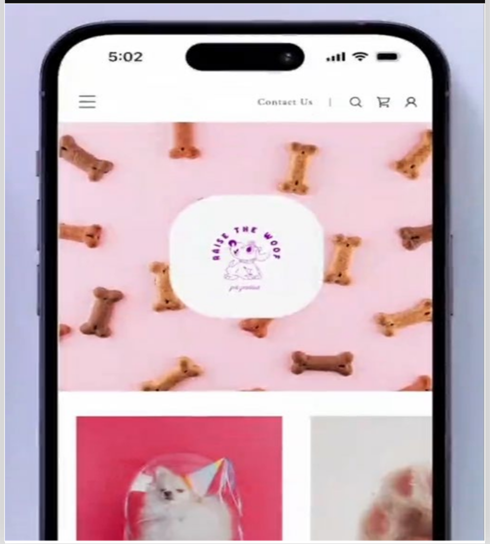
Increased bundling opportunities | Increased product attach

GoDaddy Airo™

Domains



Websites



Commerce

Managed WordPress

Care

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Key strategic focus

Sustained strong growth in our Applications & Commerce segment

Continued margin expansion driven by our seamless technology platform and focus on operational discipline

Compounding Free Cash Flow per share and long-term shareholder value creation

Elias Dabbas
Monument Projects
MONUMENTPROJECTS.COM.AU

Accelerating profitability through year end

13%
Q4 2023 A&C Revenue growth

29%
Q4 2023 NEBITDA margin

$7.50
Free cash flow per share

Elias Dabbas
Monument Projects
MONUMENTPROJECTS.COM.AU

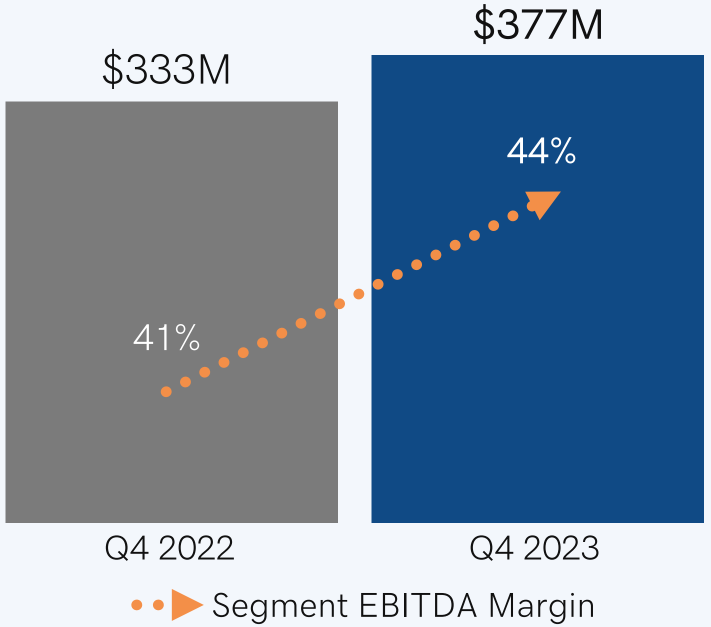
As of December 31, 2023

Impressive growth in high-margin Applications & Commerce segment

$1.4B+ business driving accelerated profitability

Q4 2023 revenue

13% increase | ~300 bps of segment EBITDA margin improvement



Create + Grow | Productivity Applications | Commerce

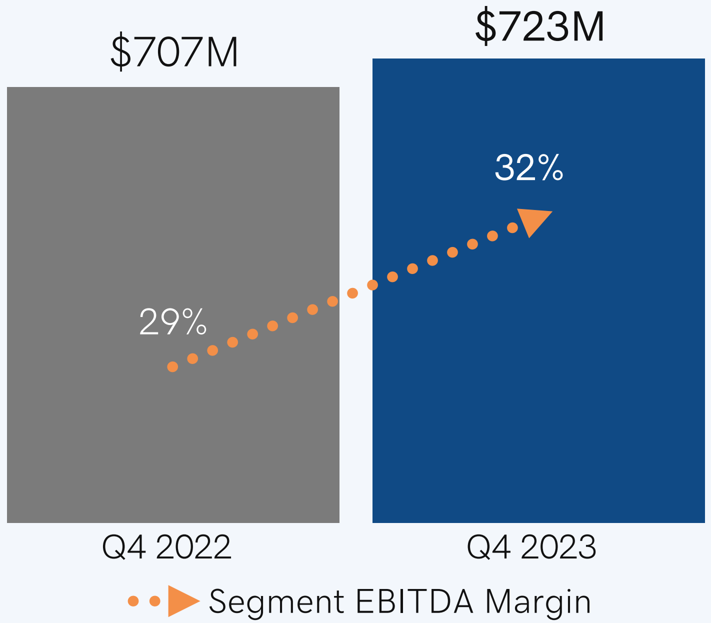
Growth levers	Metrics
Product attach	Customers with 2+ products
International expansion	International revenue
Bundling/pricing	Average revenue per user (ARPU)
Subscriptions	Annualized recurring revenue (ARR)
GPV	Gross payment volume (GPV)
Renewals	Retention rate
Margin expansion	Segment EBITDA margin

Core Platform segment delivers consistent stable base

Comparative growth impacted by divestitures of two of our hosting brands

Q4 2023 revenue

2% increase | ~250 bps of segment EBITDA margin improvement



Domains | Aftermarket | Hosting | Security

Growth levers	Metrics
Demand	New customers
Pricing	ARPU
Subscriptions	ARR
International expansion	International revenue
Aftermarket	Average transaction value (ATV)
Margin expansion	Segment EBITDA margin

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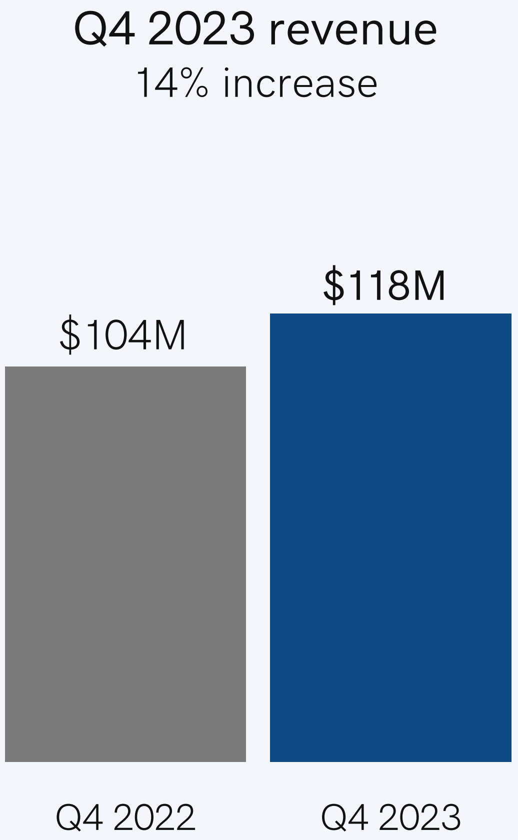
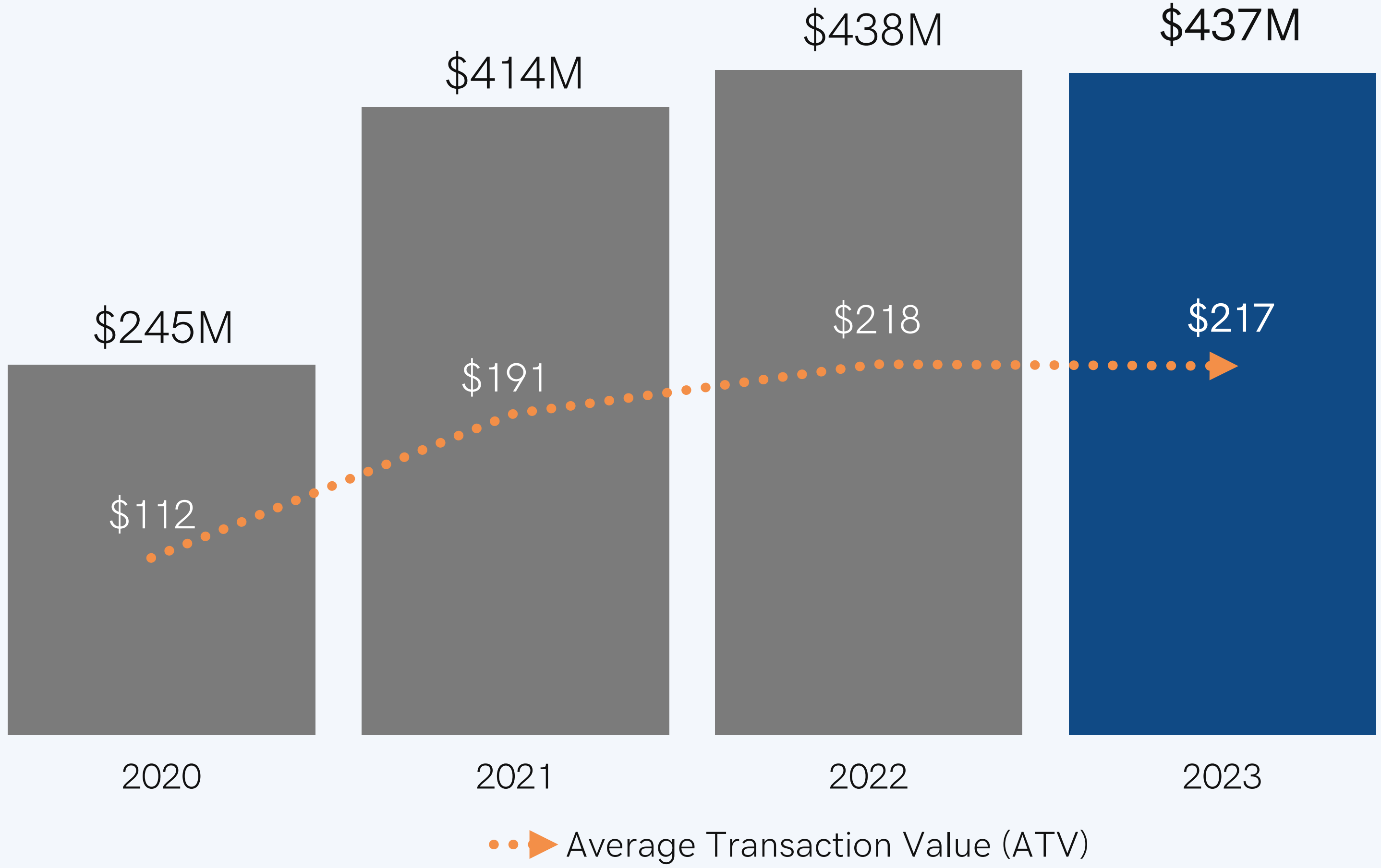
Maturing Aftermarket revenue

Transactional business subject to global macro-economic conditions





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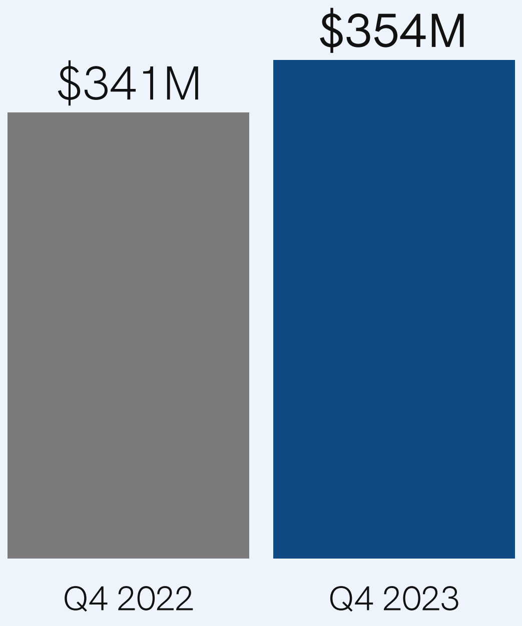
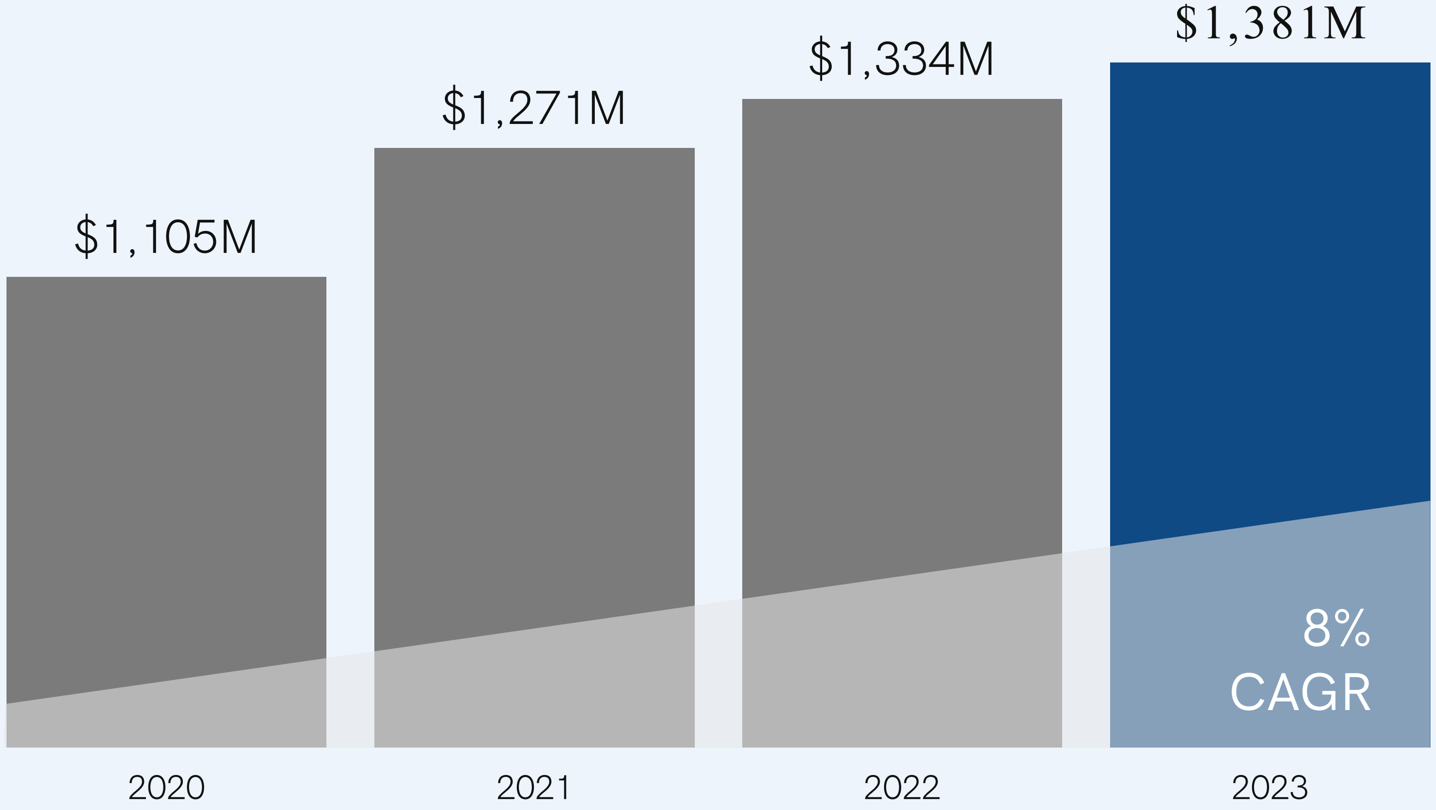
Global Footprint – International revenue

Implementing our successful U.S. playbook globally despite divestiture & migration headwinds

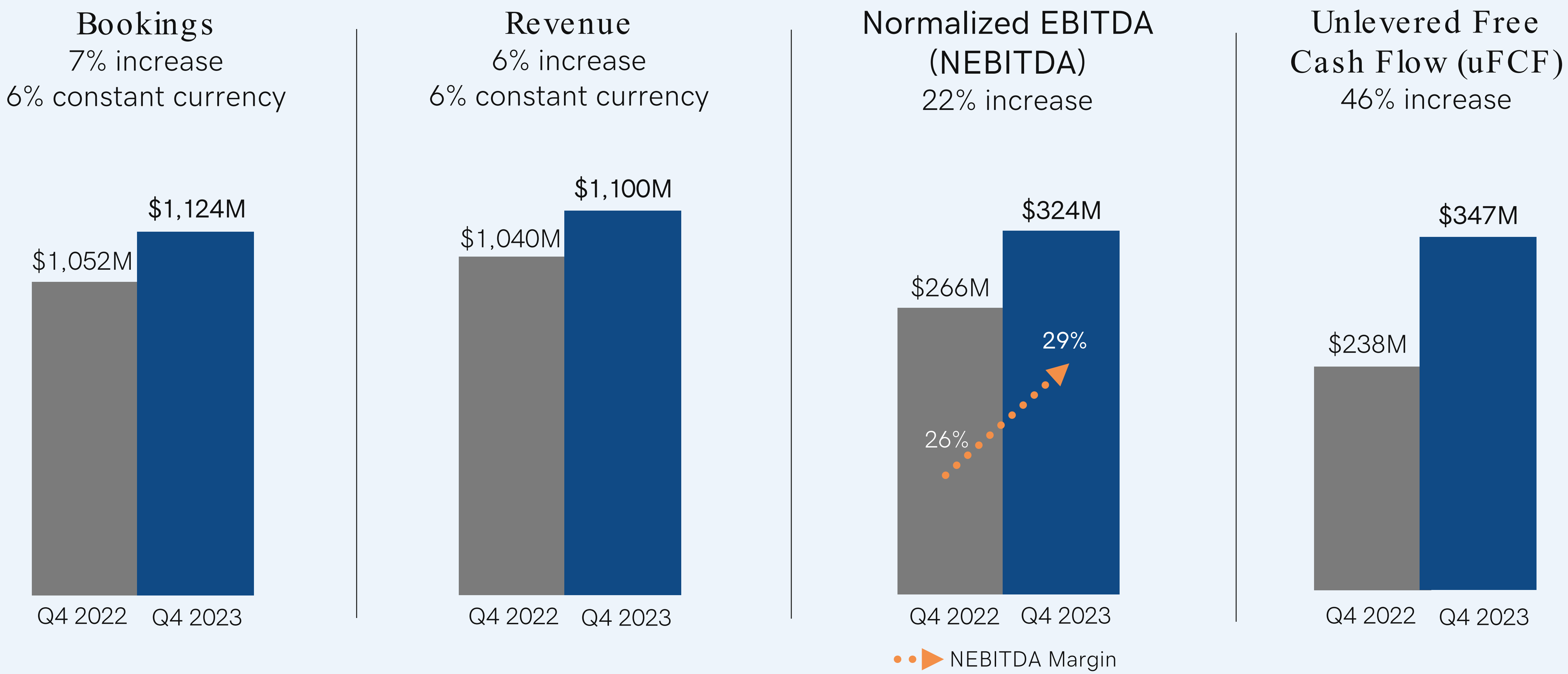
4% increase on reported & constant currency basis





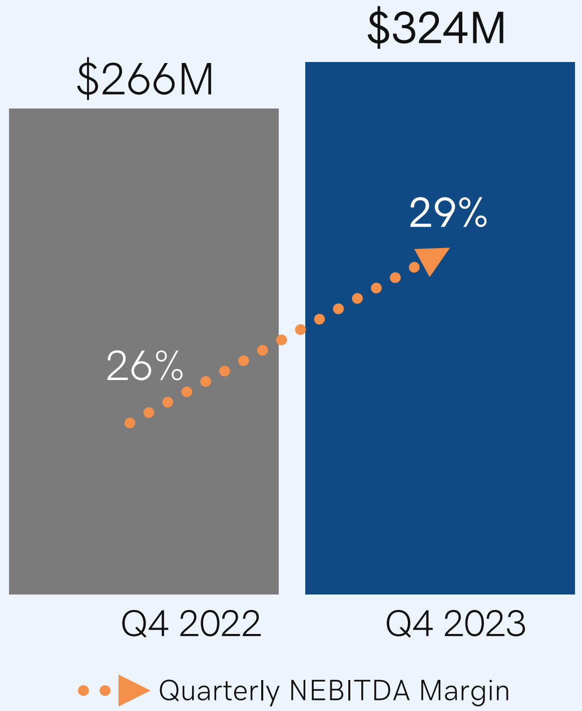
Represents three-year international revenue CAGR.

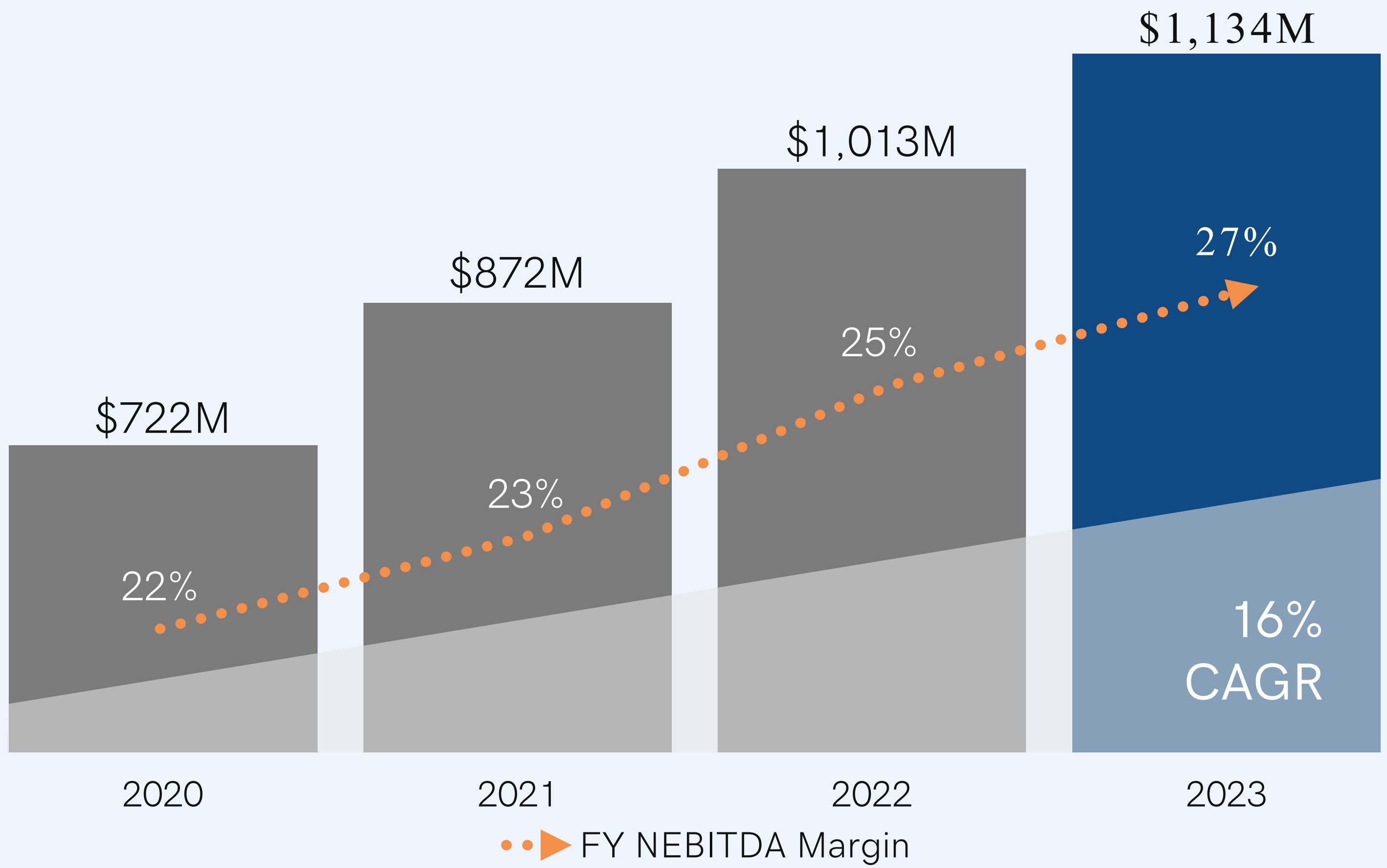
Accelerating profitability and strong cash flow generation in Q4



Accelerating margin expansion and improved profitability

Targeting Q4 2024 NEBITDA margin of ~31%





Represents three-year normalized EBITDA CAGR.

Driving leverage in technology & development

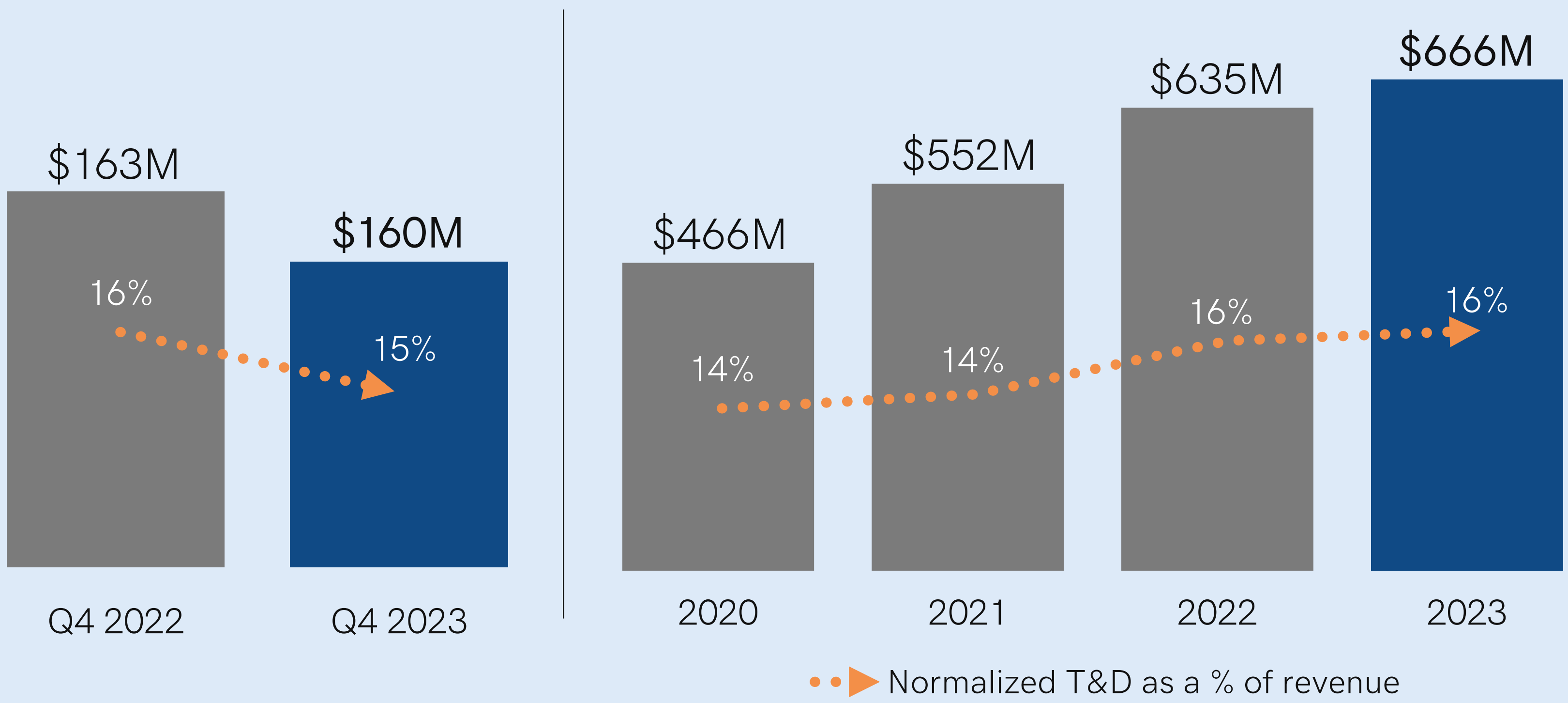
Innovation ~47%

- Product
- Front of site
- Marketing Tech
- Care Tech

Infrastructure ~53%

- Cyber
- Public cloud
- Platform
- Data centers
- Integrations

Normalized T&D Expense



Normalized T&D expense excludes the impact of T&D-related equity-based compensation expense and acquisition-related costs.

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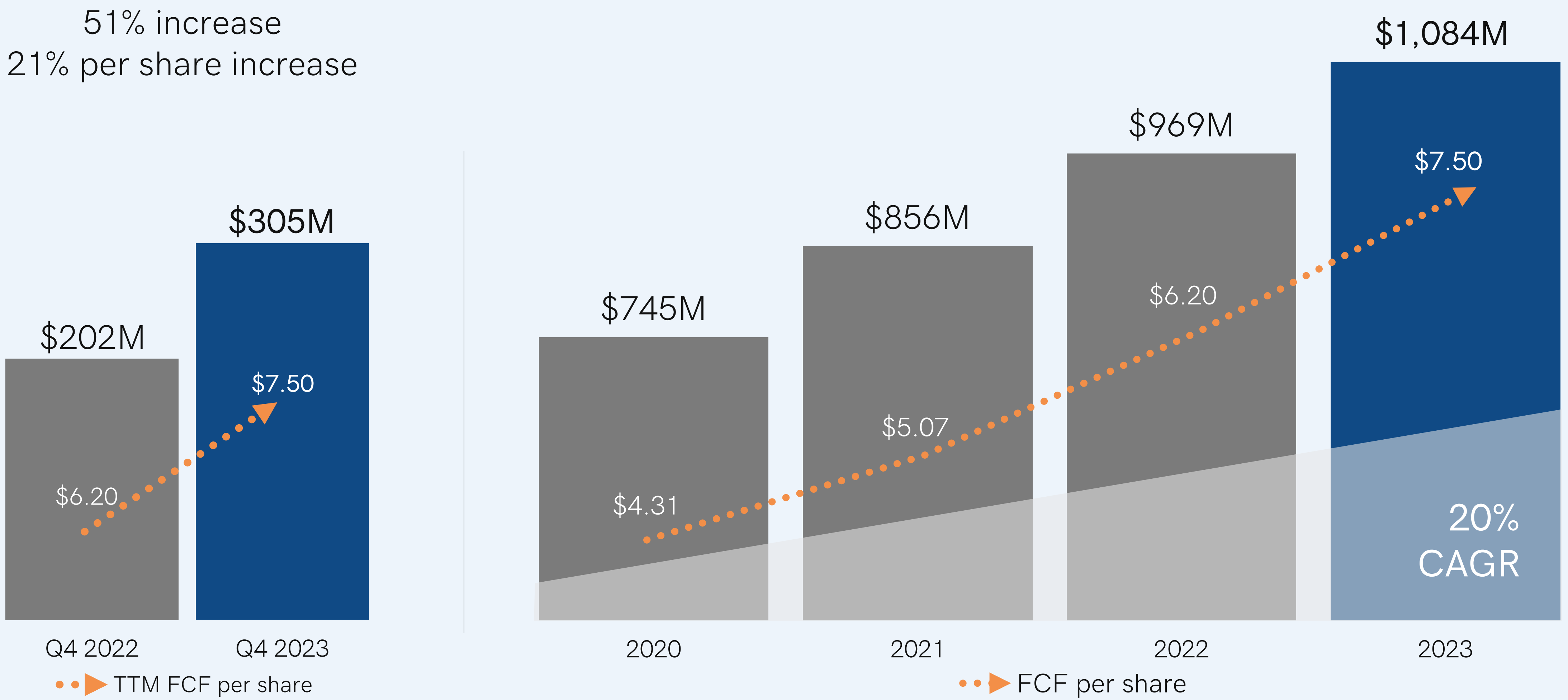
Multi-year track record of delivering strong free cash flow per share growth despite rising interest rates



Represents three-year free cash flow per share CAGR.
Free cash flow per share is calculated by dividing trailing twelve months (TTM) free cash flow for the period presented by the fully dilutive shares outstanding as of the period presented.

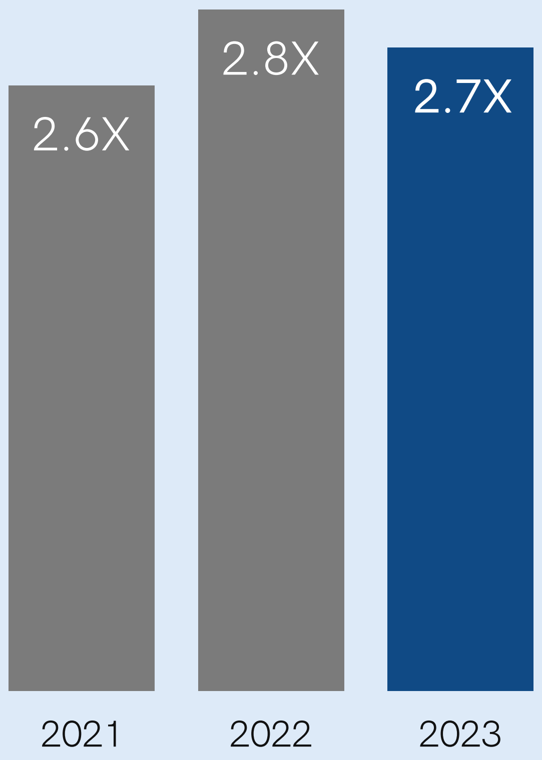
Strong balance sheet and ample liquidity

Total liquidity of $1.5B

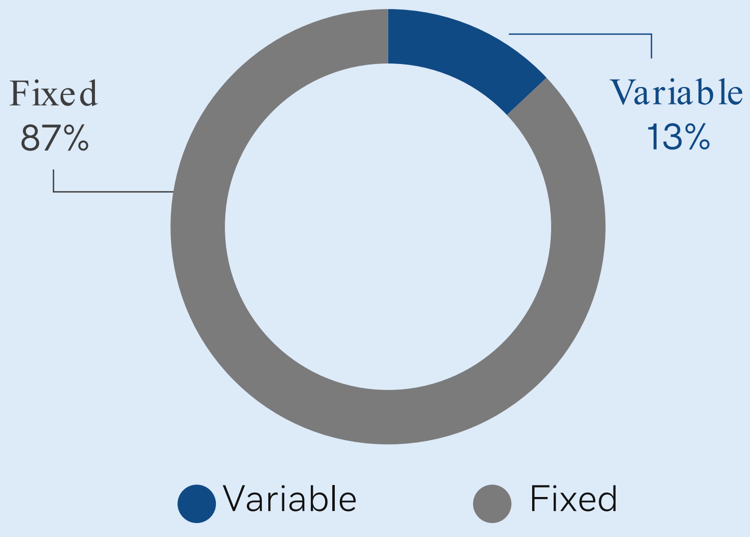
Recent repricings reduce annualized cash interest by $22M

$3.4B in net debt

Committed to maintaining leverage ratio of 2x-4x



Fixed Interest rates providing stability



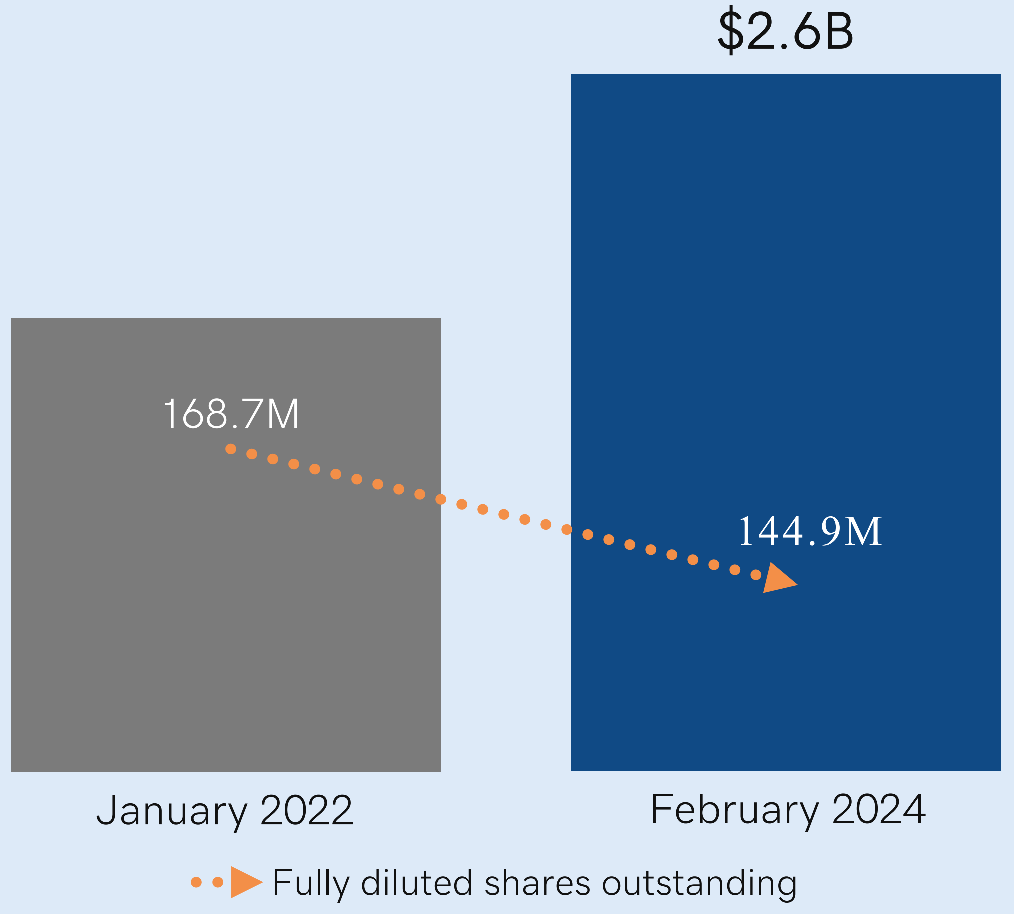
Term loan	Maturity
$724M	2027
$1.75B	2029
Unsecured notes	**Maturity**
$600M	2027
$800M	2029

As of December 31, 2023.

Disciplined capital allocation strategy to drive shareholder returns

Completed $2.6B in share buybacks under current authorizations

Repurchased 34.2 million shares, representing a 20% reduction of shares outstanding since January 2022



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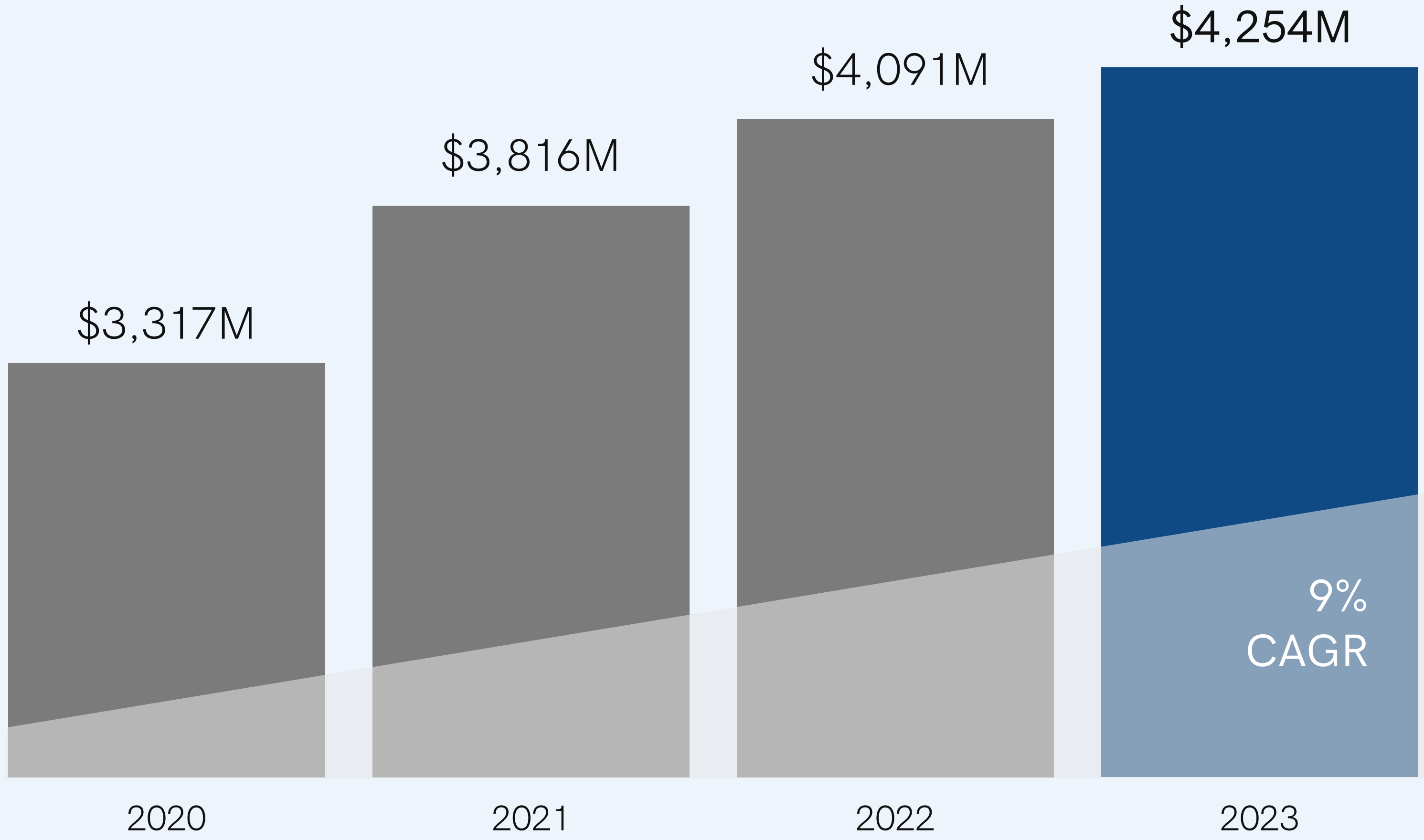
Durable track record of revenue growth over time

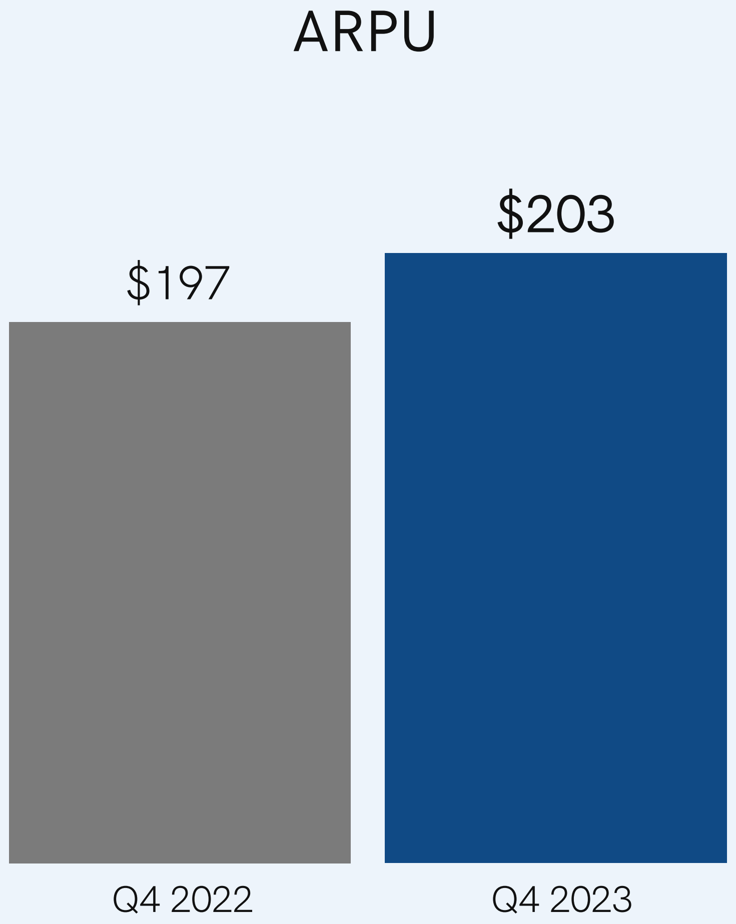
Full year 2023: 4% growth, 5% constant currency year-over-year

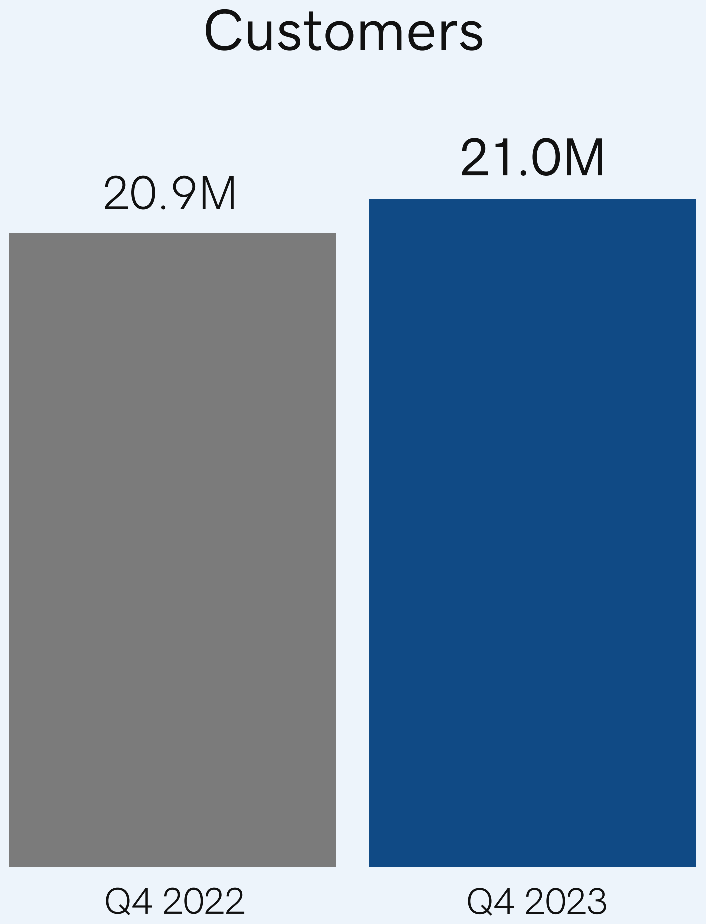


Represents three-year revenue CAGR.

A growing loyal customer base that is spending more with us

85% of total revenue generated from customers in our base



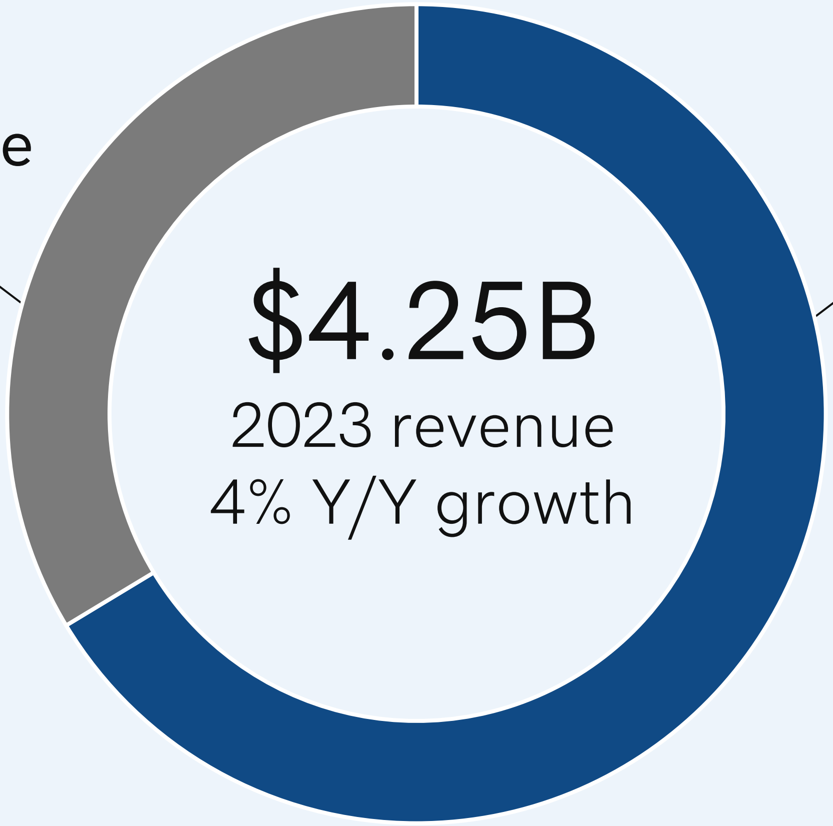


FY 2023 revenue

4% revenue growth including ~100 basis point headwind from divestitures & migrations

Applications & Commerce

$1.43B
12% Y/Y growth
34% of revenue



Core Platform

$2.82B
~Flat Y/Y
66% of revenue

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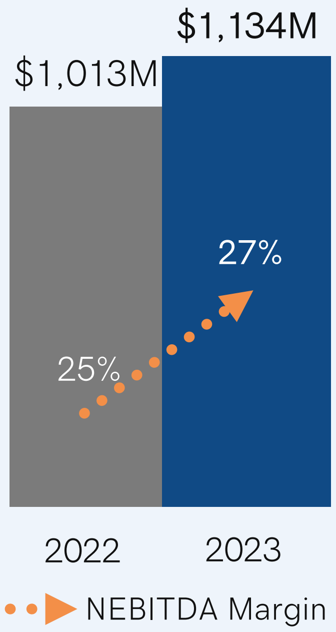
FY 2023 Financial Results

Bookings
4% increase
5% constant currency

Revenue
4% increase
5% constant currency

Normalized EBITDA (NEBITDA)
12% increase



Unlevered Free Cash Flow (uFCF)
14% increase

Free Cash Flow (FCF)
12% increase
21% per share increase

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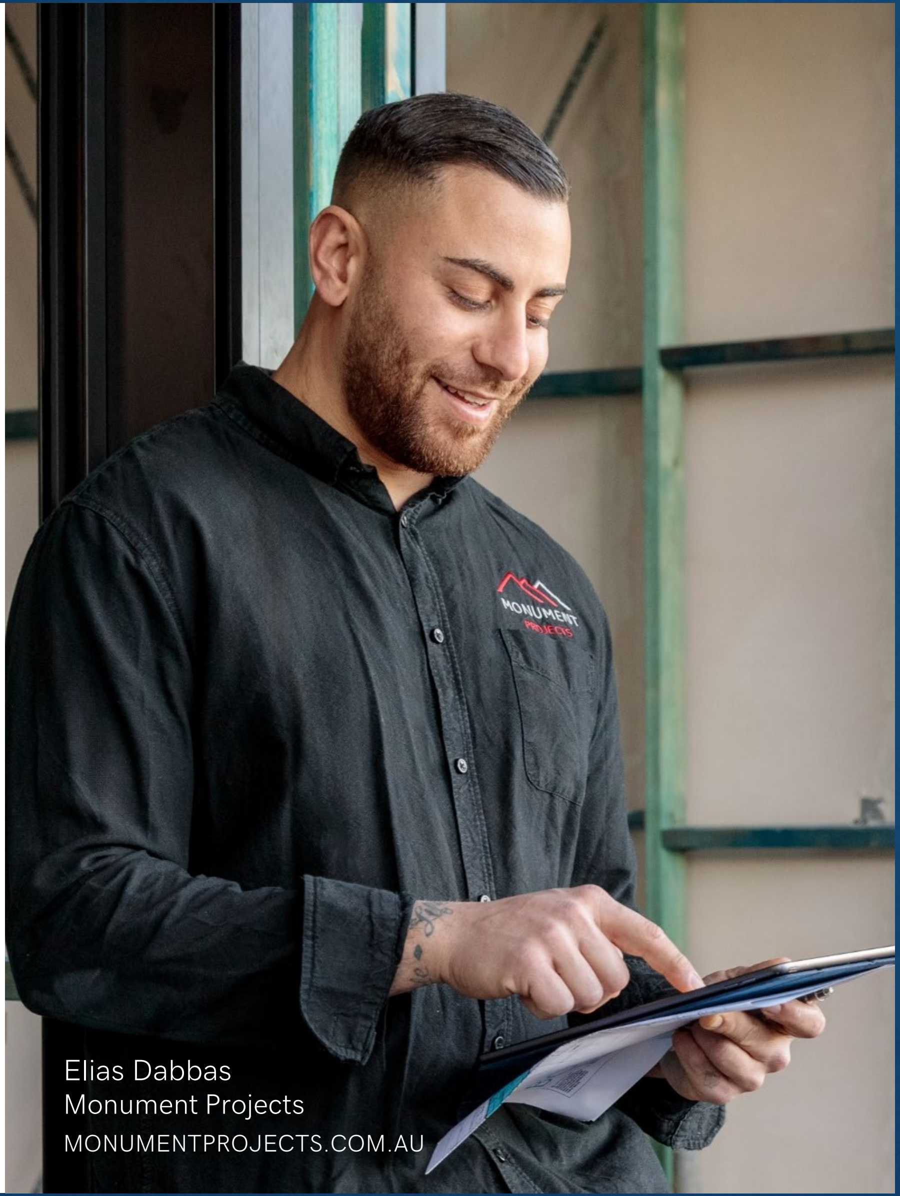

Elias Dabbas
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Driving durable growth & expanding margins, generating attractive cash flow

Outlook	Q1 2024	2024
Revenue	\$1.085B - \$1.105B	\$4.480B - \$4.560B
Segment growth rates:		
Applications & Commerce	Low – mid teens	Low – mid teens
Core platform	Low single digits	Low single digits
NEBITDA margin	27%	~29%
Unlevered free cash flow		\$1.4B+
Free cash flow		\$1.2B+
Free cash flow per share		~\$9.00

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Delivered at or ahead of Q4 2023 targets

Key Metrics		Q4 2023	Q4 2022	Growth/ Expansion	Guidance
Revenue	✓	$1.100B	$1.040B	6%	$1.095 - $1.115B
Applications & Commerce Revenue	✓	$377M	$333M	13%	~13%
Core Platform Revenue	✓	$723M	$707M	2%	2% - 3%
Normalized EBITDA Margin	✓	29%	26%	~400 bps	28%*
Unlevered Free Cash Flow	✓	$347M	$238M	46%	N/A
Free Cash Flow	✓	$305M	$202M	51%	N/A
Free Cash Flow per share	✓	$7.50	$6.20	21%	$7.00+**

*Represents guidance issued on August 3, 2023.
**Represents guidance issued on February 14, 2023.

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Delivering profitable growth & strong cash generation

Key Metrics		FY 2023	FY 2022	Growth/ Expansion	Guidance*
Revenue	✓	$4.254B	$4.091B	4%	$4.250 - $4.325B
Applications & Commerce Revenue	✓	$1.430B	$1.280B	12%	8 -10%
Core Platform Revenue		$2.824B	$2.812B	-	2 – 4%
Normalized EBITDA Margin	✓	27%	25%	~200 bps	~26%
Unlevered Free Cash Flow	✓	$1.254B	$1.096B	14%	$1.2B+
Free Cash Flow	✓	$1.084B	$969M	12%	$1.0B+
Free Cash Flow per share	✓	$7.50	$6.20	21%	$7.00+

*Represents guidance issued on February 14, 2023.

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Appendices

Non-GAAP reconciliation:
NEBITDA

Reconciliation of NEBITDA ($M)	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
Net income	$1,132.3	$93.8	$1,393.8	$352.9
Depreciation and amortization	38.7	49.5	171.3	194.6
Equity-based compensation[1]	68.7	71.1	294.0	264.4
Interest expense, net	40.2	36.1	155.4	135.0
Acquisition-related expenses[2]	4.9	7.9	12.1	35.1
Restructuring and other[3]	24.2	5.5	97.9	27.4
Provision (benefit) for income taxes	(984.8)	2.1	(990.0)	3.6
Total NEBITDA	$342.2	$266.0	$1,134.5	$1,013.0
Net income margin	103.3%	9.0%	32.9%	8.6%
NEBITDA margin	29.5%	25.6%	26.7%	24.8%

1. The year ended December 31, 2023 excludes $2.3 million of equity-based compensation expense associated with our restructuring plan, which is included within restructuring and other.
2. The year ended December 31, 2023 includes an adjustment of $6.0 million to a previously-recognized acquisition milestone liability.
3. In addition to the restructuring and other in our statements of operations, other charges included are primarily composed of lease-related expenses associated with closed facilities, charges related to certain legal matters, adjustments to the fair value of our equity investments, expenses incurred in relation to the refinancing of our long-term debt and incremental expenses associated with professional services.

Non-GAAP reconciliation:
NEBITDA

Reconciliation of NEBITDA ($M)	2020	2021	2022	2023
Net income (loss)	$(494.1)	$242.8	$352.9	$1,393.8
Depreciation and amortization	202.7	199.6	194.6	171.3
Equity-based compensation expense[1]	191.5	207.9	264.4	294.0
Interest expense, net	86.9	124.9	135.0	155.4
Acquisition-related expenses[2]	25.0	78.2	35.1	12.1
Restructuring and other[3]	36.8	8.0	27.4	97.9
Provision for income taxes & TRA adjustments	673.4	10.8	3.6	(990.0)
Total NEBITDA	722.2	$872.2	$1,013.0	$1,134.5
Net income margin	(14.9)%	6.4%	8.6%	32.8%
NEBITDA margin	21.8%	22.9%	24.8%	26.7%

1. The year ended December 31, 2023 excludes $2.3 million of equity-based compensation expense associated with our restructuring plan, which is included within restructuring and other.
2. The year ended December 31, 2023 includes an adjustment of $6.0 million to a previously-recognized acquisition milestone liability.
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Non-GAAP reconciliation:
Free cash flow

Reconciliation of free cash flow ($M)	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
Net cash provided by operating activities	$297.7	$208.0	$1,047.6	$979.7
Capital expenditures	(4.0)	(17.1)	(42.0)	(59.7)
Cash paid for acquisition-related costs	0.8	7.2	11.2	37.9
Cash paid for restructuring and other charges[1]	10.7	3.5	67.7	10.7
Free cash flow	$305.2	$201.6	$1,084.5	$968.6
Cash paid for interest on long-term debt	41.4	36.6	169.7	127.3
Unlevered free cash flow	$346.6	$238.2	$1,254.2	$1,095.9

1. In addition to payments made pursuant to our February 2023 restructuring plan, cash paid for restructuring and other charges includes a payment related to the termination of a revenue sharing agreement, lease-related payments associated with closed facilities, payments related to certain legal matters as well as third party payments incurred in relation to the refinancing of our long-term debt and incremental payments associated with professional services.

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Non-GAAP reconciliation:
Free cash flow

Reconciliation of free cash flow ($M)	2020	2021	2022	2023
Net cash provided by operating activities	$764.6	$829.3	$979.7	$1,047.6
Capital expenditures	(66.5)	(51.1)	(59.7)	(42.0)
Cash paid for acquisition-related costs[1]	27.4	64.9	37.9	11.2
Cash paid for restructuring charges[2]	19.4	12.7	10.7	67.7
Free cash flow	$744.9	$855.8	$968.6	$1,084.5

1. Cash paid for acquisition-related costs in 2021 includes $29.4 million in compensatory payments expensed in connection with our acquisition of Poynt.
2. Cash paid for restructuring and other charges includes payments pursuant to our 2023 restructuring plan, a payment related to the termination of a revenue sharing agreement in 2023, lease-related payments associated with closed facilities, payments related to certain legal matters, third party payments incurred in relation to the refinancing of our long-term debt and incremental payments associated with professional services.

Non-GAAP reconciliation:
Net debt

Reconciliation of net debt ($M)	December 31, 2023
Current portion of long-term debt	$17.9
Long-term debt	3,798.5
Unamortized original issue discount and debt issuance costs	59.7
Total debt	$3,876.1
Less: cash & cash equivalents	(458.8)
Less: short-term investments	(40.0)
Net debt	$3,377.3

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Reconciliation:

Constant currency

Reconciliation of constant currency ($M)	Three months ended December 31, 2023	Year ended December 31, 2023
Revenue	$1,100.3	$4,254.1
Constant currency adjustment	(0.1)	25.0
Constant currency revenue	$1,100.2	$4,279.1
Bookings	$1,123.9	$4,603.1
Constant currency adjustment	(4.0)	16.8
Constant currency bookings	$1,119.9	$4,619.9

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Non-GAAP reconciliation:

Technology & Development

Reconciliation of Technology & Development ($M)	Q4 2022	Q4 2023
Technology & development	$206.3	$203.8
Equity-based compensation: technology & development	(37.9)	(39.2)
Acquisition-related costs: technology & development	(5.2)	(4.8)
Normalized technology & development	$163.2	$159.8

Non-GAAP reconciliation:
Technology & Development

Reconciliation of Technology & Development ($M)	Year ended December 31,			
	2020	2021	2022	2023
Technology & development	$560.4	$706.3	$794.0	$839.6
Equity-based compensation: technology & development	(90.2)	(110.0)	(140.3)	(162.4)
Acquisition-related costs: technology & development	(3.9)	(44.1)	(19.1)	(11.5)
Normalized technology & development	$466.3	$552.2	$634.6	$665.7

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Non-GAAP financial measures and other operating and business metrics

Total bookings

Total bookings is an operating metric representing the total value of customer contracts entered into during the period, excluding refunds. We believe total bookings provides additional insight into the performance of our business and the effectiveness of our marketing efforts since we typically collect payment at the inception of a customer contract but recognize revenue ratably over the term of the contract.

Constant currency

Constant currency is calculated by translating bookings and revenue for each month in the current period using the foreign currency exchange rates for the corresponding month in the prior period, excluding any hedging gains or losses realized during the period. We believe constant currency information is useful in analyzing underlying trends in our business by eliminating the impact of fluctuations in foreign currency exchange rates and allows for period-to-period comparisons of our performance.

Annualized recurring revenue (ARR)

ARR is an operating metric defined as quarterly recurring revenue (QRR) multiplied by four. QRR represents the quarterly recurring GAAP revenue, net of refunds, from new and renewed subscription-based services. ARR is exclusive of any revenue that is non-recurring, including, without limitation, domain aftermarket, domain transfers, one-time set-up or migration fees and non-recurring professional website services fees. We believe ARR helps illustrate the scale of certain of our products and facilitates comparisons to other companies in our industry.

Normalized EBITDA (NEBITDA)

NEBITDA is a supplemental measure of our operating performance used by management and investors to evaluate our business. We calculate NEBITDA as net income excluding depreciation and amortization, interest expense (net), provision or benefit for income taxes, equity-based compensation expense, acquisition-related costs, restructuring-related expenses and certain other items. We believe that the inclusion or exclusion of certain recurring and non-recurring items provides a supplementary measure of our core operating results and permits useful alternative period-over-period comparisons of our operations but should not be viewed as a substitute for comparable GAAP measures.

Non-GAAP financial measures and other operating and business metrics

NEBITDA margin

NEBITDA margin is used by management as a supplemental measure of our operating performance and refers to the ratio of NEBITDA to revenue, expressed as a percentage.

Net debt

We define net debt as total debt less cash and cash equivalents and short-term investments. Total debt consists of the current portion of long-term debt plus long-term debt and unamortized original issue discount and debt issuance costs. Our management reviews net debt as part of its management of our overall liquidity, financial flexibility, capital structure and leverage and we believe such information is useful to investors. Furthermore, certain analysts and debt rating agencies monitor our net debt as part of their assessments of our business.

Gross merchandise volume (GMV)

GMV is a business metric calculated by annualizing the total quarterly dollar value of orders facilitated by our customers through our Commerce platform, including shipping and handling, and taxes, and is shown net of discounts, and returns (where visibility exists). While GMV is not indicative of our performance, we believe it is an indicator of the strengths of our products and platforms.

Gross payments volume (GPV)

GPV is an operating metric calculated by annualizing the total quarterly dollar value of transactions processed through our payments platform. GPV is representative of the volume of transactions in which we record transaction revenue based on our payment processing rate.

Unlevered free cash flow

Unlevered free cash flow is a measure of our liquidity used by management to evaluate our business prior to the impact of our capital structure and restructuring and after purchases of property and equipment. Such liquidity can be used by us for strategic opportunities and strengthening our balance sheet. However, given our debt obligations, unlevered free cash flow does not represent residual cash flow available for discretionary expenses.

Non-GAAP financial measures and other operating and business metrics

Free cash flow

Free cash flow is defined as our unlevered free cash flow less interest payments for the period. We use free cash flow as a supplemental measure of our liquidity, including our ability to generate cash flow in excess of capital requirements and return cash to shareholders, though it should not be considered as an alternative to, or more meaningful than, comparable GAAP measures.

Average revenue per user (ARPU)

We calculate ARPU as total revenue during the preceding 12 month period divided by the average of the number of total customers at the beginning and end of the period. ARPU provides insight into our ability to sell additional products to customers, though the impact to date has been muted due to our continued growth in total customers.

Total customers

We define a customer as an individual or entity with paid transactions in the trailing twelve months or with paid subscriptions as of the end of the period. A single user may be counted as a customer more than once if they maintain paid subscriptions or transactions in multiple accounts. Total customers is one way we measure the scale of our business and is an important part of our ability to increase our revenue base.


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