Clarivate™

Q2 2023 Earnings Call

CLVT
LISTED
NYSE

August 3, 2023

1. Introduction

Mark Donohue
VP Investor Relations

Safe Harbor Statement and Non-GAAP Financial Measures

Forward-Looking Statements

This communication contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management's current views concerning future business, events, trends, contingencies, financial performance, or financial condition, appear at various places in this communication and may use words like "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "goal," "intend," "likely," "may," "might," "plan," "potential," "predict," "project," "see," "seek," "should," "strategy," "strive," "target," "will," and "would" and similar expressions, and variations or negatives of these words. Examples of forward-looking statements include, among others, statements we make regarding: guidance outlook and predictions relating to expected operating results, such as revenue growth and earnings; strategic actions such as acquisitions, joint ventures, and dispositions, including the anticipated benefits therefrom, and our success in integrating acquired businesses; anticipated levels of capital expenditures in future periods; our ability to successfully realize cost savings initiatives and transition services expenses; our belief that we have sufficient liquidity to fund our ongoing business operations; expectations of the effect on our financial condition of claims, litigation, environmental costs, the impact of inflation, the impact of foreign currency fluctuations, the COVID-19 pandemic and governmental responses thereto, international hostilities, contingent liabilities, and governmental and regulatory investigations and proceedings; and our strategy for customer retention, growth, product development, market position, financial results, and reserves. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on management's current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are difficult to predict and many of which are outside of our control. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include those factors discussed under the caption "Risk Factors" in our annual report on Form 10-K, along with our other filings with the U.S. Securities and Exchange Commission ("SEC"). However, those factors should not be considered to be a complete statement of all potential risks and uncertainties. Additional risks and uncertainties not known to us or that we currently deem immaterial may also impair our business operations. Forward-looking statements are based only on information currently available to our management and speak only as of the date of this communication. We do not assume any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws. Please consult our public filings with the SEC or on our website at www.clarivate.com.

Non-GAAP Financial Measures

This presentation contains financial measures which have not been calculated in accordance with United States generally accepted accounting principles ("GAAP"), including Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted EPS, Free Cash Flow, and Organic/Inorganic Revenues because they are a basis upon which our management assesses our performance, and we believe they reflect the underlying trends and indicators of our business. Although we believe these measures may be useful for investors for the same reasons, these financial measures should not be considered as an alternative to GAAP financial measures as a measure of the Company's financial condition, profitability, performance and liquidity. In addition, these financial measures may not be comparable to similar measures used by other companies. At the Appendix to this presentation, we provide further descriptions of these non-GAAP measures and reconciliations of these non-GAAP measures to the corresponding most closely related GAAP measures.

Industry and Market Data

In this presentation, we refer to certain information and statistics from third-party sources. Although we believe that these sources are reliable, we have not independently verified the accuracy or completeness of such third-party sources and disclaim any liability with respect to the data therein that have been included in this presentation and cannot guarantee their accuracy or completeness.

Agenda

1. Introduction	**Mark Donohue** Vice President Investor Relations
2. Business Review	**Jonathan Gear** Chief Executive Officer
3. Financial Review	**Jonathan Collins** Executive Vice President and Chief Financial Officer
4. Q&A	**All**

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2. Business Review

Jonathan Gear
Chief Executive Officer

Q2 2023 highlights

$669M

Revenues

~Flat organic growth[1]

3% org. subscription growth[1]

$285M

Adj. EBITDA[1]

43% margin[1]

+3% points YoY

$105M

Free Cash Flow[1]

37% conversion

+$55M YoY

21₵

Adj. EPS[1]

(1₵) YoY

Divestiture and interest rates

- **Onboarded new segment presidents** and embedded operating model
- **Partnership with AI21 Labs** as part of generative AI strategy
- **Launched AI-powered Brand Landscape** Analyzer for IP professionals
- Developed **Cortellis™ Generative AI** Proof of Concept
- **Published 2022 sustainability report,** advancing on our ESG goals

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[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.

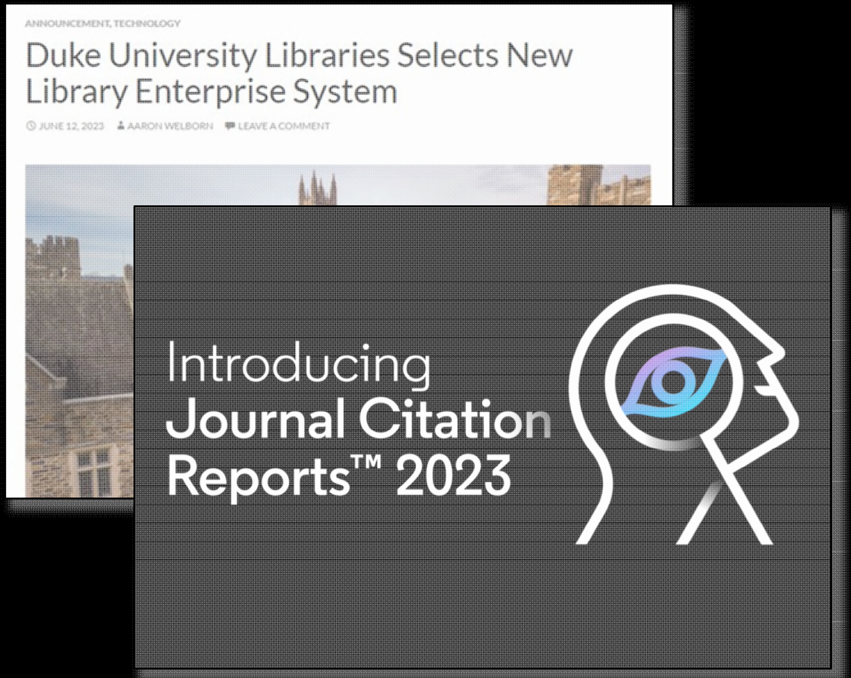
A&G growth continued in Research & Analytics and key wins across Workflow Software Solutions

A&G Business Performance

- Bar Veinstein joined as President, bringing 10+ years of industry experience
- Continued growth momentum across Research and Analytics ; new subscription growth rate up 840 bps 1H '23
- Achieved key wins across Workflow Software Solutions with flagship library software solution, Alma™

A&G Segment Highlights

- Successfully expanded industry-leading metric, Journal Impact Factor, to more than 9,000 additional quality journals, to reinforce role as reliable indicator of trustworthiness, as well as a measure of scholarly impact, at the journal level
- Integrated ProQuest™ Dissertations & Theses Global and Web of Science™ Platforms enhancing analysis of emerging research trends and early career scholarship. Released July 13, 2023
- Launched ProQuest One Psychology providing ejournals articles, ebooks, streaming videos and dissertations in a single search interface offering the single largest collection of vetted, multi-format scholarly content



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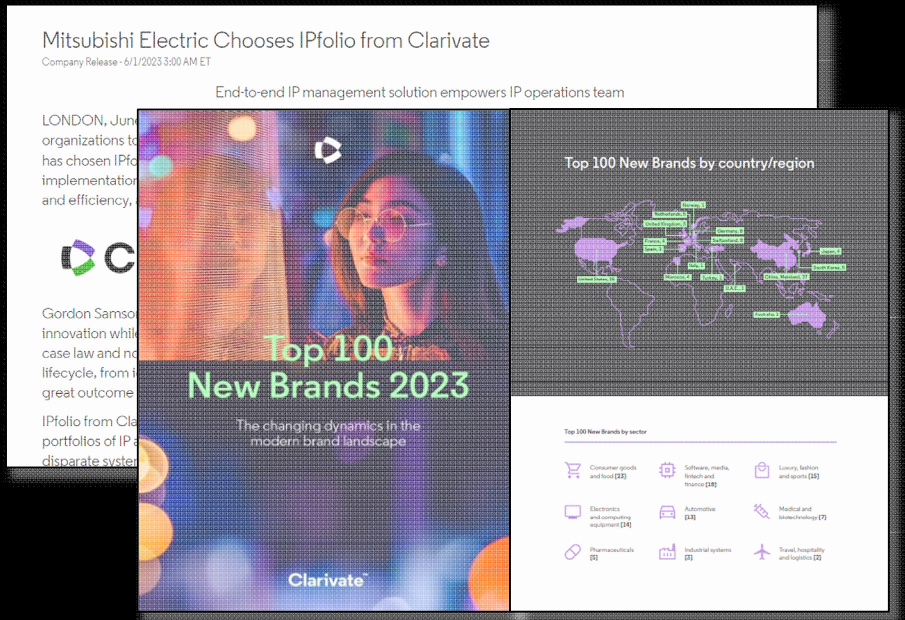
IP key wins with flagship IP management system IPfolio and differentiated product integrations

IP Business Performance

- Gordon Samson assigned as President, leveraging 9+ years industry experience at CPA Global
- Driving turnaround in Patent Intelligence business through product innovation
- ’23 revenue shortfall of ~$20m in Patent Renewals business largely driven by lower industry volumes due to macro forces; expect to return to historical growth in ’24

IP Segment Highlights

- Signed largest ever patent annuities deal, commencing Jan ’24
- Mitsubishi Electric selected IPfolio™ to optimize IP management operations
- Launched the next generation of AI-powered IP forecasting tools, enabling greatly improved cost management and tracking, budget planning, and reporting
- Published Clarivate Top 100 New Brands™ report, using our transformative brand IP intelligence to identify new brands which have surged in popularity



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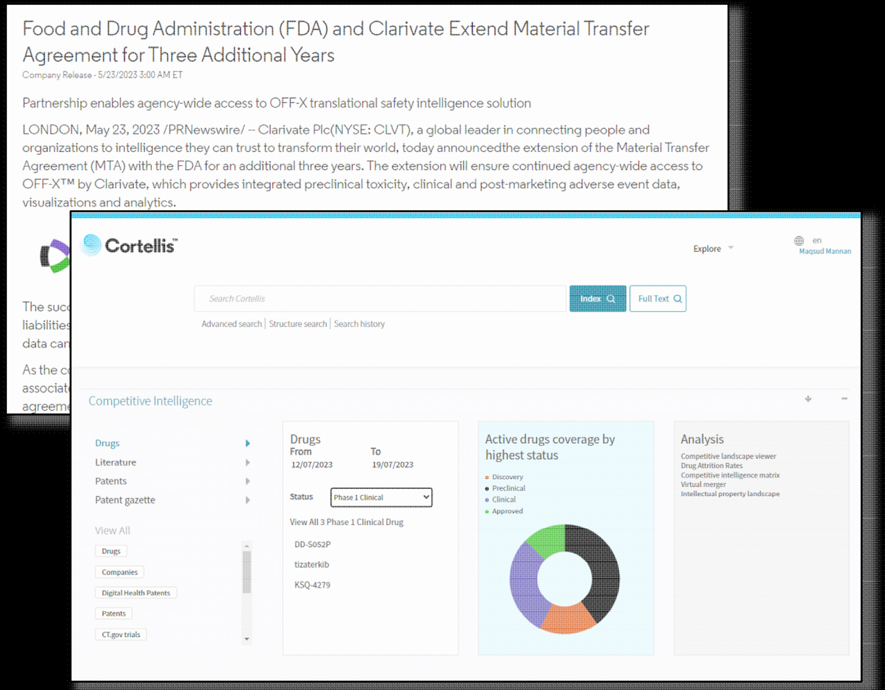
LS&H new product releases across R&D and healthcare provider solutions

LS&H Business Performance

- Henry Levy joined as President, with 20+ years experience across Life Sciences consulting, CRO and SaaS leadership
- Commercialization sub-segment experiencing macro headwinds
- Pivoting near-term real-world data (RWD) go-to-market strategy to optimize long-term success of analytics platform
- ~$40m revenue shortfall in '23 in commercialization products (RWD) and services (consulting) caused by macro forces and near-term channel strategy

LS&H Segment Highlights

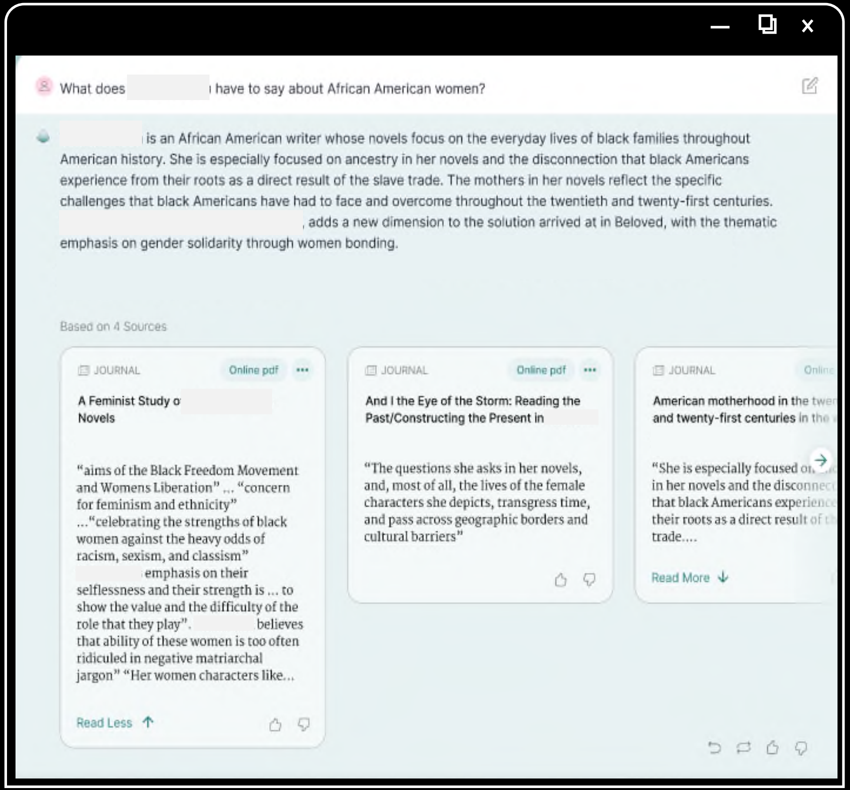
- Multi-million-dollar RWD analytics project extension at top 5 Pharma company
- Expanded Cortellis™ product portfolio, strengthening Competitive Intelligence offerings with Cortellis™ Analyst Forecast
- US FDA signed three-year extension, enabling agency-wide access to OFF-X™ translational safety intelligence solution
- Released new version of Healthbase platform, providing market intelligence on 3,200+ health systems and 2M+ health practitioners



Partnership with AI21 Labs as part of Generative AI Strategy

Unleashing the power of AI to shape the next generation of solutions for libraries and academic institutions

- Strategic partnership with AI21 Labs, a pioneer in generative AI
- Partnership will combine curated and trusted Clarivate content with AI21 Labs' state-of-the-art large language models (LLM's) for AI-powered conversational search and discovery
- Rigorous internal and external testing to ensure our commitment to using AI responsibly and effectively whilst upholding core academic principles and values
- Roll out in partnership with our customers, user groups and partners



Conversational Discovery

Curated and Trusted Content

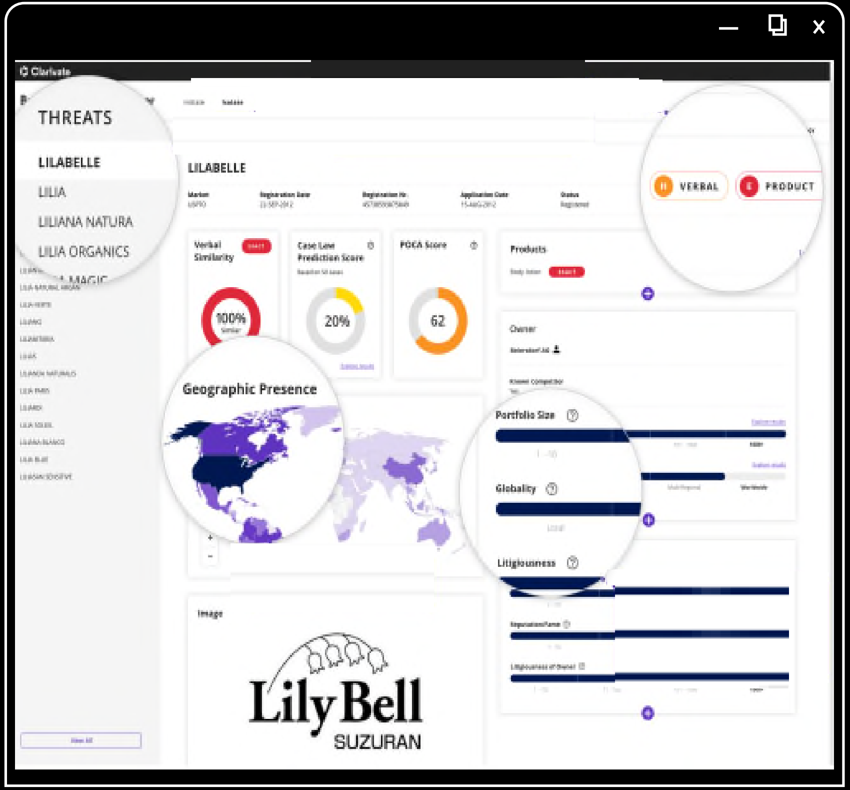
State of Art LLM's

Clarivate™ | AI21 labs

Launched AI-powered Brand Landscape Analyzer for IP professionals

Single workflow solution enabling instant assessment of brand commercial and legal risks

- Charts a new direction for trademark and brand research, empowering IP professionals to make decisions with greater agility, efficiency and confidence
- Brings together curated Clarivate content (trademarks, case law and competitive intelligence) with cloud technology and proprietary patented AI and machine learning powered analytics
- Provides IP professional with a real-time, holistic view of brand risk through an integrated solution, accelerating time to market and enabling informed decision making in hours, instead of days
- Future product releases to leverage AI capabilities in order to identify intellectual property infringements



Proprietary Clarivate Content

AI Powered Analytics Engine

5M+ Global Trademark Litigation Cases

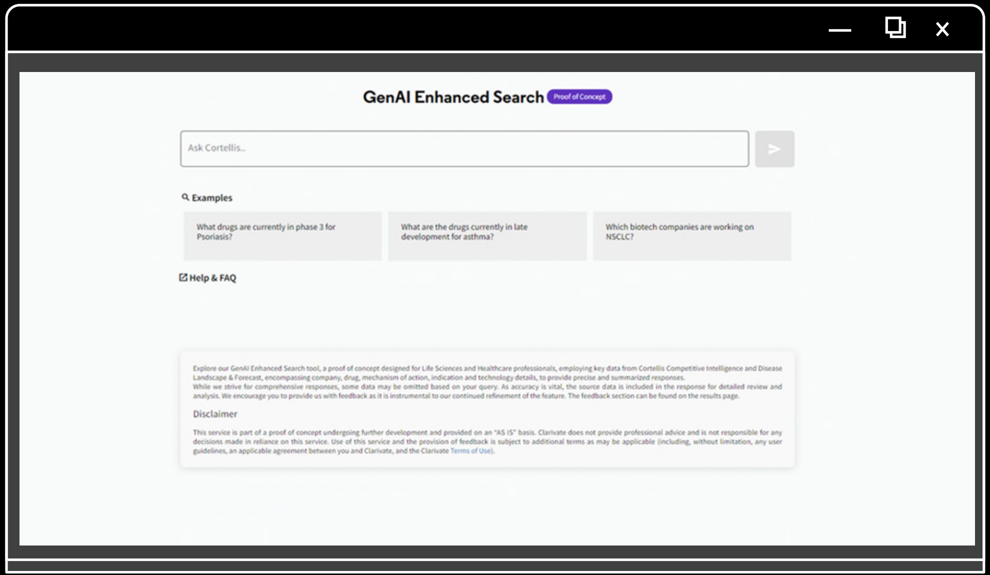
185+ Global Trademark Registers

Integrated Workflow Solution

Developed Cortellis™ Generative AI Proof of Concept

Bringing together curated Life Science & Healthcare datasets and Generative AI capabilities

- Developed proof of concept fusing LLM's and proprietary capabilities / algorithms bringing together structured and unstructured Life Science & Healthcare data, enabling customers to interact with complex data and make informed decisions faster
- Launched proof of concept to select group of customers, ~50 for feedback and input into future development
- Proof of concept will underpin conversational discovery across broader Clarivate Life Sciences & Healthcare datasets, and future releases planned for later this year, spanning R&D and strategy and business development



Proprietary Data	Billions of proprietary data points across solutions
Analytical Transparency	History of infusing AI across solutions to drive insights
Accurate Intelligence	100+ years of deep industry and domain expertise

Published 2022 sustainability report, advancing on our ESG goals

46%

of 2022 Clarivate revenue is aligned with UN Sustainable Development Goals

130M+

students use our solutions to enhance their learning and research experience

81M+

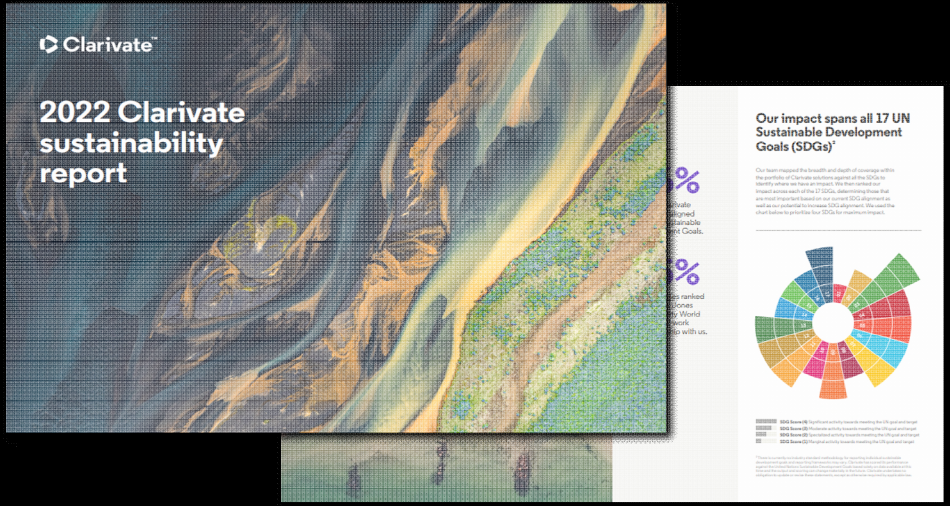
patients supported through chronic diseases by improving their understanding of medicines

48/50

of the top R&D companies work with us to accelerate innovation

25,000 hours

Volunteered by Clarivate colleagues around the world in 2022



Shortlisted for 2023 Responsible Business Award | Sustainable Development Goals Pioneer Award

3. Financial Review

Jonathan Collins
Chief Financial Officer

Q2 2023 Financial Results

Revenues

- Revenues are lower due to divestiture of MarkMonitor Domains business in Q4 2022

Net Income

- Non-cash impairment of intangible assets of $135m
- Change in net foreign exchange loss impact of $35m

Operating Cash Flow

- Operating cash flow increased $65m on lower working capital requirements
- Increased capital spending to drive product innovation

Changes from Prior Year

$m except per share data	Q2 '23	Q2 '22	Change
Revenues, net	**$669**	**$687**	**$(18)**
Income / (Loss) from Operations	(88)	86	(174)
M-t-M (Gain) / Loss on private warrants	(3)	(49)	46
Interest Expense, Net	73	62	11
Income Tax Expense (Benefit)	(35)	11	(46)
Net Income (Loss) attributable to ordinary shares	**$(142)**	**$44**	**$(186)**
Net Income / (Loss) Per Share, basic	$(0.21)	$0.06	$(0.27)
Adjusted EBITDA[1]	285	274	11
Adjusted EBITDA Margin[1]	*42.6%*	*39.9%*	*270 bps*
Adjusted Diluted EPS[1]	$0.21	$0.22	$(0.01)
Operating Cash Flow	**$162**	**$97**	**$65**
Capital Spending	58	48	10
Free Cash Flow[1]	105	50	55

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[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.

Q2 2023 Revenues and Adj. EBITDA[1]

Organic Growth

- Subscription growth at 3%
- Transactional and re-occurring declined 5%

Inorganic Impact

- Divestiture of MarkMonitor business in Q4 2022

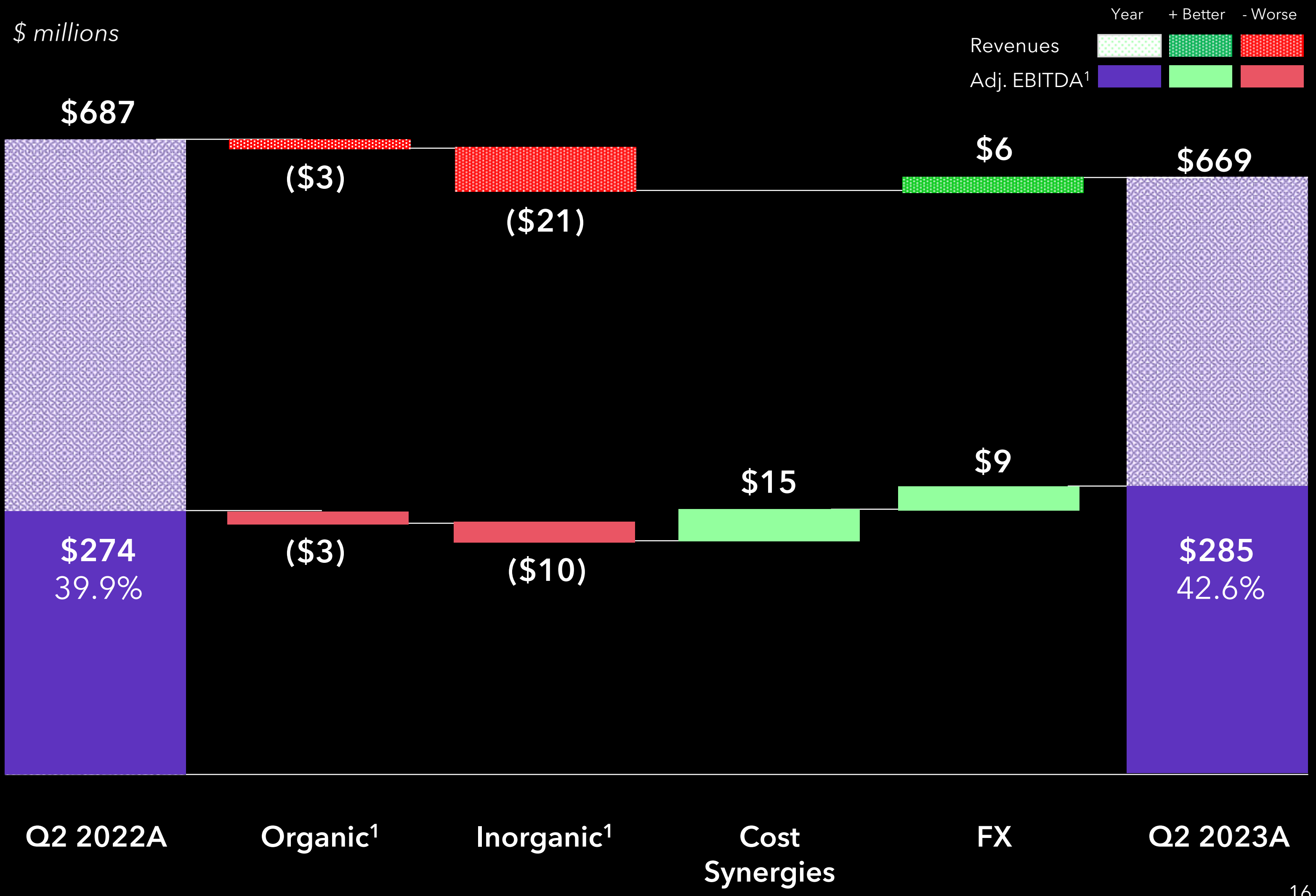
Cost Synergies

- Carryover savings from PQ acquisition integration, net of certain costs to achieve

Foreign Exchange

- Favorable translation impact on weaker USD
- Profit benefit exceeds revenue as transactional FX loss in Q2 '22 did not repeat in Q2 '23

Changes from Prior Year



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[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.

Q2 2023 Cash Flow

Free Cash Flow

- Interest cost increase due to higher interest rates partially offset by deleveraging
- Working capital improvement due to unwind of patent renewal accelerations in Q2 '22 and improved collections

Capital Allocation

- $25m term loan repayment in April bringing H1 total to $150m
- Net leverage at 4.0x as of 6/30
- Obtained approval from shareholders to extend share repurchase authorization
- Other includes $10m deferred proceeds from MarkMonitor

Changes from Prior Year

$m	Q2 '23	Q2 '22	Change
Adj. EBITDA[1]	**$285**	**$274**	**$11**
One-Time Costs	(14)	(17)	3
Interest	(96)	(86)	(10)
Taxes	(20)	(20)	-
Working Capital / Other	7	(54)	61
Operating Cash Flow	162	97	65
Capital Spending	(58)	(48)	(10)
Free Cash Flow[1]	**$105**	**$50**	**$55**
Conversion	***37%***	***18%***	**+19%pts**
Preferred Dividend	(19)	(19)	-
Share Repurchase	-	(120)	120
Debt Repayment	(25)	(7)	(18)
Other	11	(45)	56
Cash Flow	**$72**	**$(141)**	**$213**

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[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.

Updated FY 2023 Outlook

Organic Growth

- Lowering range by ~225 bps at mid-point or ($60)m
- LS&H driving ~150 bps or ~($40)m due to commercialization products and services
- IP driving ~75 bps or ~($20)m due to patent renewals

Revenues

- Mid-point at low end of original range as organic reduction partially offset by ~$20m of favorable Fx translation net of ~$(5)m from small divestiture (Q4)

Profit Margin and EPS

- At mid-point of original ranges

Free Cash Flow

- Slightly lower on reduced Adj. EBITDA and higher interest

Updated Full Year Guidance Ranges

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[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.

FY 2023 Organic Growth Phasing

Subscription
- Expect stable growth from subscription business, which comprises ~60% of total revenues

Re-occurring
- Anticipate sequential improvement in re-occurring revenues due to timing of accelerations in 2022 partially offset by lower volumes

Transactional
- Expect transactional business to improve in H2 due to softer comps

Revenue Type	First Half	Second Half[2]	Full Year
Subscription[1]	3%	~3%	~3%
Re-occurring[1]	(2)%	~2%	~0%
Transactional[1]	(8)%	~0%	~(4)%
Organic Growth[1]	0%	~2%	~1%

[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.
[2]Growth numbers assume the mid-point of the revised guidance range.

Updated FY 2023 Revenues and Adj. EBITDA[1] Outlook

Organic Growth

- Largely driven by A&G segment as LS&H and IP expected to be relatively flat

Inorganic Impact

- Primarily ~$65m MarkMonitor divestment in Q4 2022
- ~$5m IP divestment in Q4 2023

Cost Synergies

- Carry over savings from PQ acquisition integration, net of certain costs to achieve

Foreign Exchange

- Favorable translation impact on weaker USD
- Profit headwind despite revenue benefit as transactional FX gains in '22 will not repeat in '23

Changes from Prior Year

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[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.

Updated FY 2023 Cash Flow Outlook

Free Cash Flow

- One-time costs better than prior year due to materially lower acquisition integration costs
- Interest cost increase due to higher interest rates partially offset by deleveraging
- Lower working capital requirements offsetting increased capital spending to drive product innovation

Capital Allocation

- Flexibility of balanced capital allocation in H2 between debt prepayment and share repurchase
- Anticipate achieving leverage target of <4x by year end

Changes from Prior Year

$m	2023 Outlook	2022 Actuals	Change
Adj. EBITDA[1]	**~$1,115**	**$1,113**	**~$0**
One-Time Costs	~(60)	(215)	~155
Interest	~(275)	(252)	~(25)
Taxes	~(50)	(64)	~15
Working Capital / Other	~(10)	(73)	~65
Operating Cash Flow	~720	509	~210
Capital Spending	~(245)	(203)	~(40)
Free Cash Flow[1]	**~$475**	**$306**	**~$170**
Conversion	***~43%***	***28%***	***~15%***
Preferred Dividend	~(75)	(75)	~0
Share Repurchase	~(400)	(175)	~275
Debt Repayment		(500)	
Other[2]	~0	362	~(360)
Cash Flow	**~$0**	**$(82)**	**~$80**

[1]See the Appendix for a reconciliation of GAAP to Non-GAAP measures.
[2] 2022 actuals includes costs related to acquisitions and divestitures and change in restricted cash relating to the CPA Global employee benefits payment.

Financial Objectives

1. Accelerate organic growth to market levels
2. Durable margins through the investment cycle
3. Attractive cash flow engine
4. Disciplined capital allocation

H1 KPIs...

Flat	Organic Growth
160bps	Profit Margin Expansion
51%	Free Cash Flow Conversion
$150M	Term Loan Pre-payment

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● Below Expectations ● In Line / Exceeding Expectations

4. Q&A Session

About Clarivate
Clarivate is the leading global information services provider. We connect people and organizations to intelligence they can trust to transform their perspective, their work and our world. Our subscription and technology-based solutions are coupled with deep domain expertise and cover the areas of Academia & Government, Life Sciences & Healthcare and Intellectual Property. For more information, please visit clarivate.com

Appendix

Presentation of Certain Non-GAAP Financial Measures

This presentation contains financial measures which have not been calculated in accordance with generally accepted accounting principles in the United States of America ("US GAAP"), including Organic/Inorganic Revenues, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow because they are a basis upon which our management assesses our performance, and we believe they reflect the underlining trends and indicators of our business.

Organic/Inorganic Revenues

Organic revenues illustrates growth in businesses owned by the Company after twelve months, at constant currency. Inorganic revenues illustrates growth in the business via acquisitions and divestitures.

Adjusted EBITDA

Adjusted EBITDA represents Net income (loss) before the provision for income taxes, depreciation and amortization, interest income and expense adjusted to exclude acquisition and disposal-related transaction costs (such costs include net income from continuing operations before provision for income taxes, depreciation and amortization and interest income and expense from divestitures), share-based compensation, mandatory convertible preferred share dividend expense, unrealized foreign currency remeasurement, transformational and restructuring expenses, acquisition-related adjustments to deferred revenues prior to the adoption of FASB ASU No. 2021-08 in 2021, non-operating income or expense, the impact of certain non-cash mark-to-market adjustments on financial instruments, legal settlements, impairments, and other items that are included in net income (loss) for the period that the Company does not consider indicative of its ongoing operating performance and certain unusual items impacting results in a particular period.

In evaluating Adjusted EBITDA, you should be aware that in the future the Company may incur expenses that are the same as or similar to some of the included adjustments. The Company's presentation of Adjusted EBITDA should not be construed as an inference that the Company's future results will be unaffected by any of the adjusted items, or that the Company's projections and estimates will be realized in their entirety or at all.

Presentation of Certain Non-GAAP Financial Measures

Adjusted EBITDA

The use of Adjusted EBITDA instead of US GAAP has limitations as an analytical tool, and you should not consider Adjusted EBITDA in isolation, or as a substitute for analysis of the Company's results of operations and operating cash flows as reported under US GAAP. For example, Adjusted EBITDA does not reflect:

- the Company's cash expenditures or future requirements for capital expenditures
- changes in, or cash requirements for, the Company's working capital needs
- interest expense, or the cash requirements necessary to service interest or principal payments, on the Company's debt
- any cash income taxes that the Company may be required to pay
- any cash requirements for replacements of assets that are depreciated or amortized over their estimated useful lives and may have to be replaced in the future
- all non-cash income or expense items that are reflected in the Company's statements of cash flows

The Company's definition of and method of calculating Adjusted EBITDA may vary from the definitions and methods used by other companies when calculating Adjusted EBITDA, which may limit their usefulness as comparative measures.

The Company prepared the information included in this presentation based upon available information and assumptions and estimates that it believes are reasonable. The Company cannot assure you that its estimates and assumptions will prove to be accurate.

Adjusted EBITDA Margin

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Revenues, net plus the impact of the deferred revenue purchase accounting adjustments relating to acquisitions prior to 2021.

Presentation of Certain Non-GAAP Financial Measures

Adjusted Net Income and Adjusted Diluted EPS

We use Adjusted Net Income and Adjusted Diluted Earnings Per Share ("Adjusted Diluted EPS") in our analysis of the financial performance of the Company. We believe Adjusted Net Income and Adjusted Diluted EPS are meaningful measures of the performance of the Company because they adjust for items that do not directly affect our ongoing operating performance in the period.

Adjusted Net Income is calculated using Net income (loss), adjusted to exclude acquisition or disposal-related transaction costs (such costs include net income from continuing operations before the provision for income taxes, depreciation and amortization and interest income and expense from the divested business), amortization related to acquired intangible assets, share-based compensation, mandatory convertible preferred share dividend expense, unrealized foreign currency remeasurement, transformational and restructuring expenses, acquisition-related adjustments to deferred revenues, the impact of certain non-cash mark-to-market adjustments on financial instruments, legal settlements, impairments, and other items that are included in net income (loss) for the period that the Company does not consider indicative of its ongoing operating performance and certain unusual items impacting results in a particular period, and the income tax impact of any adjustments.

We calculate Adjusted Diluted EPS by using Adjusted Net Income divided by Adjusted diluted weighted average shares for the period. The Adjusted diluted weighted average shares assumes that all instruments in the calculation are dilutive.

Free Cash Flow

We use Free Cash Flow in our operational and financial decision-making and believe Free Cash Flow is useful to investors because similar measures are frequently used by securities analysts, investors, ratings agencies and other interested parties to evaluate the ability of companies to service their debt. Free Cash Flow is calculated using net cash provided by operating activities, less capital expenditures.

Reconciliation of Non-GAAP Financial Measures (QTD)

The following table presents the amounts of our subscription, re-occurring, and transactional and other revenues, including as a percentage of our total revenues, for the periods indicated, as well as the drivers of the variances between periods.

(in millions, except percentages); (unaudited)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Variance Increase/(Decrease): Total Variance (Dollars)	Variance Increase/(Decrease): Total Variance (Percentage)	Percentage of Factors Increase/(Decrease): Acquisitions	Disposals	FX Impact	Organic
Subscription revenues	$ 406.0	$ 407.4	$ (1.4)	(0.3) %	– %	(4.4) %	1.2%	2.9%
Re-occurring revenues	111.0	112.0	(1.0)	(0.9) %	– %	– %	0.7%	(1.6)%
Transactional and other revenues	151.8	168.0	(16.2)	(9.6) %	– %	(2.3) %	0.2%	(7.5)%
Deferred revenues adjustment	–	(0.8)	0.8	100.0 %	100.0%	– %	– %	–%
Revenues, net	**$ 668.8**	**$ 686.6**	**$ (17.8)**	**(2.6)%**	**0.1 %**	**(3.2)%**	**0.9 %**	**(0.4) %**

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Reconciliation of Non-GAAP Financial Measures (YTD)

The following table presents the amounts of our subscription, re-occurring, and transactional and other revenues, including as a percentage of our total revenues, for the periods indicated, as well as the drivers of the variances between periods.

(in millions, except percentages); (unaudited)	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Variance Increase/(Decrease): Total Variance (Dollars)	Variance Increase/(Decrease): Total Variance (Percentage)	Percentage of Factors Increase/(Decrease): Acquisitions	Disposals	FX Impact	Organic
Subscription revenues	$ 799.2	$ 811.2	$ (12.0)	(1.5) %	– %	(4.4)%	– %	2.9%
Re-occurring revenues	218.7	226.5	(7.8)	(3.4) %	– %	– %	(1.8)%	(1.7)%
Transactional and other revenues	280.0	311.7	(31.7)	(10.2) %	– %	(1.5)%	(0.8)%	(7.9)%
Deferred revenues adjustment	–	(0.6)	0.6	100.0 %	100.0 %	– %	– %	–%
Revenues, net	**$ 1,297.9**	**$ 1,348.8**	**$ (50.9)**	**(3.8)%**	**– %**	**(3.0)%**	**(0.5)%**	**(0.3)%**

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Reconciliation of Non-GAAP Financial Measures

Net Income (Loss) to Adjusted EBITDA

(in millions); (unaudited)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net income (loss) attributable to ordinary shares	**$ (141.7)**	**$ 43.7**	**$ (117.0)**	**$ 94.5**
Dividends on preferred shares	18.6	18.7	37.4	37.4
Net income (loss)	**(123.1)**	**62.4**	**(79.6)**	**131.9**
(Benefit) provision for income taxes	(35.3)	10.5	(98.9)	26.8
Depreciation and amortization	178.1	175.6	350.7	352.0
Interest expense and amortization of debt discount, net	73.0	62.3	146.6	121.8
Deferred revenues adjustment	–	0.8	–	0.6
Transaction related costs[1]	0.7	5.1	2.4	11.8
Share-based compensation expense	30.5	22.1	71.7	59.1
Restructuring and lease impairments[2]	12.2	19.2	21.6	30.9
Goodwill and intangible asset impairments[3]	135.2	–	135.2	–
Mark-to-market gain on financial instruments[4]	(2.9)	(49.0)	(1.8)	(149.4)
Other[5]	16.5	(34.6)	(10.3)	(48.8)
Adjusted EBITDA	**$ 284.9**	**$ 274.4**	**$ 537.6**	**$ 536.7**
Adjusted EBITDA Margin	**42.6%**	**39.9%**	**41.4%**	**39.8%**

Descriptions

Adjusted EBITDA adjustments

1. Includes costs incurred to complete business combination transactions, including acquisitions, dispositions and capital market activities and include advisory, legal, and other professional and consulting costs.
2. Primarily reflects severance and related benefit costs related to approved restructuring programs.
3. Primarily includes the intangible assets impairment recorded during the three months ended June 30, 2023 related to Assets Held for Sale and Divested Operations.
4. Reflects mark-to-market adjustments on the Private Placement Warrants under ASC 815, Derivatives and Hedging.
5. The current year periods primarily include net losses on foreign exchange re-measurement and other individually insignificant items that do not reflect our ongoing operating performance. The current year-to-date period was offset by a gain on legal settlement. The prior year periods include net gains on foreign exchange re-measurement and other individually insignificant items that do not reflect our ongoing operating performance.

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Reconciliation of Non-GAAP Financial Measures

FY 2022 Net Loss to Adjusted EBITDA

(in millions); (unaudited)	Year Ended December 31, 2022
Net loss attributable to ordinary shares	**$ (4,035.6)**
Dividends on preferred shares	75.4
Net loss	(3,960.2)
(Benefit) provision for income taxes	(28.9)
Depreciation and amortization	710.5
Interest expense and amortization of debt discount, net	270.3
Deferred revenues adjustment[(1)]	1.0
Transaction related costs[(2)]	14.2
Share-based compensation expense	102.2
Gain on sale of divestitures[(3)]	(278.5)
Restructuring and impairment[(4)]	66.7
Goodwill impairment	4,449.1
Mark-to-market gain on financial instruments[(5)]	(206.8)
Other[(6)]	(26.9)
Adjusted EBITDA	**$ 1,112.7**
Adjusted EBITDA Margin	**41.8 %**

Descriptions

Adjusted EBITDA adjustments

1. Reflects the deferred revenues adjustment made as a result of purchase accounting prior to the adoption of ASU No. 2021-08, "Accounting for Contract Assets and Contract Liabilities from Contracts with Customers". This guidance was applied retrospectively to all business combinations for which the acquisition date occurs during or subsequent to 2021.
2. Includes costs incurred to complete business combination transactions, including acquisitions, dispositions and capital market activities and include advisory, legal, and other professional and consulting costs.
3. Represents the net gain from the sale of the MarkMonitor Domain Management business.
4. Primarily reflects costs related to restructuring and impairment associated with the One Clarivate and ProQuest restructuring programs.
5. Reflects mark-to-market adjustments on the Private Placement Warrants under ASC 815, Derivatives and Hedging.
6. Primarily reflects the net impact of foreign exchange gains and losses related to the re-measurement of balances and other items that do not reflect our ongoing operating performance.

Reconciliation of Non-GAAP Financial Measures (QTD)

Net Loss and Net Loss Per Share to Adjusted Net Income and Adjusted Diluted EPS

	Three Months Ended June 30,			
	2023		2022	
(in millions, except per share amounts); (unaudited)	Amount	Per Share	Amount	Per Share
Net loss attributable to ordinary shares, diluted	**$ (141.7)**	**$ (0.21)**	**$ (3.1)**	**$ –**
Change in fair value of private placement warrants	–	–	46.8	0.07
Net (loss) income attributable to ordinary shares	**(141.7)**	**(0.21)**	**43.7**	**0.06**
Dividends on preferred shares	18.6	0.03	18.7	0.03
Net (loss) income	**(123.1)**	**(0.18)**	**62.4**	**0.09**
Deferred revenues adjustment	–	–	0.8	–
Transaction related costs[1]	0.7	–	5.1	0.01
Share-based compensation expense	30.5	0.05	22.1	0.03
Amortization related to acquired intangible assets	143.5	0.21	146.1	0.22
Restructuring and lease impairments[2]	12.2	0.02	19.2	0.03
Goodwill and intangible asset impairments[3]	135.2	0.20	–	–
Mark-to-market gain on financial instruments[4]	(2.9)	–	(49.0)	(0.07)
Other[5]	16.5	–	(34.6)	(0.08)
Income tax impact of related adjustments	(60.4)	(0.09)	(7.0)	(0.01)
Adjusted Net Income and Adjusted Diluted EPS	**$152.2**	**$ 0.21**	**$ 165.1**	**$ 0.22**
Adjusted weighted average ordinary shares (Diluted)	734.9		736.6	

Descriptions

Adjusted Net Income and Adjusted Diluted EPS adjustments

1. Includes costs incurred to complete business combination transactions, including acquisitions, dispositions and capital market activities and include advisory, legal, and other professional and consulting costs.
2. Primarily reflects severance and related benefit costs related to approved restructuring programs.
3. Primarily includes the intangible assets impairment recorded during the three months ended June 30, 2023 related to Assets Held for Sale and Divested Operations.
4. Reflects mark-to-market adjustments on the Private Placement Warrants under ASC 815, Derivatives and Hedging.
5. The current year periods primarily include net losses on foreign exchange re-measurement and other individually insignificant items that do not reflect our ongoing operating performance. The current year-to-date period was offset by a gain on legal settlement. The prior year periods include net gains on foreign exchange re-measurement and other individually insignificant items that do not reflect our ongoing operating performance.

Reconciliation of Non-GAAP Financial Measures (YTD)

Net Loss and Net Loss Per Share to Adjusted Net Income and Adjusted Diluted EPS

	Six Months Ended June 30,			
	2023		2022	
(in millions, except per share amounts); (unaudited)	Amount	Per Share	Amount	Per Share
Net loss attributable to ordinary shares, diluted	**$ (117.0)**	**$ (0.17)**	**$ (47.2)**	**$ (0.07)**
Change in fair value of private placement warrants	–	–	141.7	0.21
Net (loss) income attributable to ordinary shares	**(117.0)**	**(0.17)**	**94.5**	**0.14**
Dividends on preferred shares	37.4	0.06	37.4	0.05
Net income (loss)	**(79.6)**	**(0.12)**	**131.9**	**0.19**
Deferred revenues adjustment	–	–	0.6	–
Transaction related costs(1)	2.4	–	11.8	0.02
Share-based compensation expense	71.7	0.11	59.1	0.09
Amortization related to acquired intangible assets	287.9	0.43	295.8	0.43
Restructuring and lease impairments(2)	21.6	0.03	30.9	0.05
Goodwill and intangible asset impairments(3)	135.2	0.20	–	–
Mark-to-market gain on financial instruments(4)	(1.8)	–	(149.4)	(0.22)
Other(5)	(10.3)	(0.05)	(48.8)	(0.11)
Income tax impact of related adjustments	(144.0)	(0.21)	(11.7)	(0.02)
Adjusted net income and Adjusted Diluted EPS	**$ 283.1**	**$ 0.39**	**$ 320.2**	**$ 0.43**
Adjusted weighted average ordinary shares (Diluted)	734.8		741.6	

Descriptions

Adjusted Net Income and Adjusted Diluted EPS adjustments

1. Includes costs incurred to complete business combination transactions, including acquisitions, dispositions and capital market activities and include advisory, legal, and other professional and consulting costs.
2. Primarily reflects severance and related benefit costs related to approved restructuring programs.
3. Primarily includes the intangible assets impairment recorded during the three months ended June 30, 2023 related to Assets Held for Sale and Divested Operations.
4. Reflects mark-to-market adjustments on the Private Placement Warrants under ASC 815, Derivatives and Hedging.
5. The current year periods primarily include net losses on foreign exchange re-measurement and other individually insignificant items that do not reflect our ongoing operating performance. The current year-to-date period was offset by a gain on legal settlement. The prior year periods include net gains on foreign exchange re-measurement and other individually insignificant items that do not reflect our ongoing operating performance.

Reconciliation of Non-GAAP Financial Measures

Net Cash Provided By Operating Activities to Free Cash Flow

(in millions); (unaudited)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net cash provided by operating activities	**$ 162.4**	**$ 97.2**	**$ 389.9**	**$ 164.6**
Capital expenditures	(57.6)	(47.7)	(116.9)	(89.1)
Free cash flow	**$ 104.8**	**$ 49.5**	**$ 273.0**	**$ 75.5**

(in millions); (unaudited)	Year Ended December 31, 2022
Net cash provided by operating activities	**$ 509.3**
Capital expenditures	(202.9)
Free cash flow	**$ 306.4**

Reconciliation of Non-GAAP Financial Measures

The following table presents our calculation of Revenues, net for the FY2023 outlook:

Revenues, net

(in millions)	Year Ending December 31, 2023 Outlook mid-point	Year Ending December 31, 2022	Variance Increase/(Decrease) Total Variance (Dollars)	Variance Increase/(Decrease) Total Variance (Percentage)	Percentage of Factors Increase/(Decrease) Acquisitions	Disposal	FX Impact	Organic
Revenues, net	$ 2,635	$ 2,660	$ (25)	(0.9) %	– %	(2.6) %	0.7 %	1.0%

The following table presents our calculation of Adjusted EBITDA for the FY2023 outlook and reconciles this measure to our Net income (loss) for the same period:

Adjusted EBITDA

(in millions)	Year Ending December 31, 2023 (Forecasted) Low	High
Net loss attributable to ordinary shares	**$(217)**	**$(167)**
Dividends on preferred shares(1)	75	75
Net loss	**(142)**	**(92)**
Provision for income taxes	(55)	(55)
Depreciation and amortization	709	709
Interest expense and amortization of debt discount, net	288	288
Restructuring and lease impairments(2)	33	33
Goodwill and intangible asset impairments(3)	135	135
Transaction related costs	2	2
Mark to market adjustment on financial instruments	(2)	(2)
Share-based compensation expense	131	131
Other(4)	(10)	(10)
Adjusted EBITDA	**$ 1,090**	**$ 1,140**
Adjusted EBITDA margin	**42.0 %**	**42.5 %**

Descriptions

1. Dividends on our mandatory convertible preferred shares ("MCPS") are payable quarterly at an annual rate of 5.25% of the liquidation preference of $100 per share. For the purposes of calculating net loss attributable to Clarivate, we have excluded the accrued and anticipated MCPS dividends.
2. Primarily reflects restructuring costs expected to be incurred in 2023 associated with the ProQuest acquisition and Segment Optimization restructuring programs.
3. Primarily includes the intangible assets impairment recorded in connection with a disposal group held-for-sale as of June 30, 2023
4. Primarily includes the gain on legal settlement partially offset by a net loss on foreign exchange re-measurement.

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Reconciliation of Non-GAAP Financial Measures

The following table presents our calculation of Adjusted Diluted EPS for the FY2023 outlook and reconciles this measure to our Net income (loss) per share for the same period:

Net Income (Loss) Per Fully Diluted Weighted Shares Outstanding to Adjusted Diluted EPS

	Year Ending December 31, 2023 (Forecasted)	
	Low	High
	Per Share	Per Share
Net loss attributable to ordinary shares	**$ (0.29)**	**$ (0.23)**
Dividends on preferred shares[1]	0.10	0.10
Net loss	**(0.19)**	**(0.13)**
Restructuring and impairments[2]	0.04	0.04
Goodwill and intangible asset impairments[3]	0.18	0.18
Share-based compensation expense	0.18	0.18
Amortization related to acquired intangible assets	0.78	0.78
Other[4]	(0.01)	(0.01)
Income tax impact of related adjustments	(0.21)	(0.21)
Adjusted Diluted EPS	**$ 0.77**	**$ 0.83**
Weighted average ordinary shares (Diluted)[5]	738 million	

Descriptions

Adjusted Diluted EPS Adjustments

1. Dividends on our mandatory convertible preferred shares ("MCPS") are payable quarterly at an annual rate of 5.25% of the liquidation preference of $100 per share. For the purposes of calculating net loss attributable to Clarivate, we have excluded the accrued and anticipated MCPS dividends.
2. Primarily reflects restructuring costs expected to be incurred in 2023 associated with the ProQuest acquisition and Segment Optimization restructuring programs.
3. Primarily includes the intangible assets impairment recorded in connection with a disposal group held-for-sale as of June 30, 2023
4. Primarily includes the gain on legal settlement offset by a net loss on foreign exchange re-measurement.
5. For the purposes of calculating adjusted earnings per share, the Company has excluded the accrued and anticipated MCPS dividends and assumed the "if-converted" method of share dilution.

Reconciliation of Non-GAAP Financial Measures

The following table presents our calculation of Free cash flow for the FY2023 outlook and reconciles this measure to our Net cash provided by operating activities for the same period:

Net Cash Provided by Operating Activities to Free Cash Flow

	Year Ending December 31, 2023 (Forecasted)	
(in millions)	**Low**	**High**
Net cash provided by operating activities	**$ 695**	**$ 745**
Capital expenditures	(245)	(245)
Free cash flow	**$ 450**	**$ 500**