

Forrester Investor Summary

Q2 2025

BOLD
AT
WORK

Forward-Looking Statements & Non-GAAP Measures

This presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. These projections or statements are only predictions. Actual events or results may differ materially from those in the projections or other forward-looking statements. Please see the Company's Annual Report to shareholders and its filings with the SEC, including its recent filings on Forms 10-K and 10-Q, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or forward-looking statements.

Forrester believes that adjusted financial results provide investors with consistent and comparable information to aid in the understanding of Forrester's ongoing business and are also used by Forrester in making compensation decisions. Our adjusted presentation excludes amortization of acquisition-related intangible assets, stock-based compensation, restructuring costs, a goodwill impairment charge, a loss from the sale of a divested operation and transaction costs, and net gains or losses from investments, as well as their related tax effects. We also utilized an assumed tax rate of 29% in 2025 and 2024, which excludes items such as the effect of any adjustments related to the filing of prior year tax returns. The adjusted data does not purport to be prepared in accordance with Generally Accepted Accounting Principles in the United States.

Forrester At A Glance

Forrester is one of the most influential research and advisory firms in the world.

Business and technology leaders rely on Forrester to accelerate growth through customer obsession.

Global reach with offices & operations across

Asia Pacific, Europe, and North America

Number of employees *

~1,500

Fortune 100 Clients *

61%

2024 Financial Overview

- ~73% of Total Revenue in Research
- ~27% of Total Revenue in Consulting and Events
- ~80% of Contract Value in Forrester Decisions
- Adjusted EBITDA of \$46.1 million

Note: *Figures as of 6/30/25.

Why Invest in Forrester?



1. Massive market opportunity
2. Attractive recurring revenue business model
3. Focus on contract value growth
4. Differentiated research platform (Forrester Decisions) and continuous guidance engagement model
5. Leadership team well-positioned to scale business

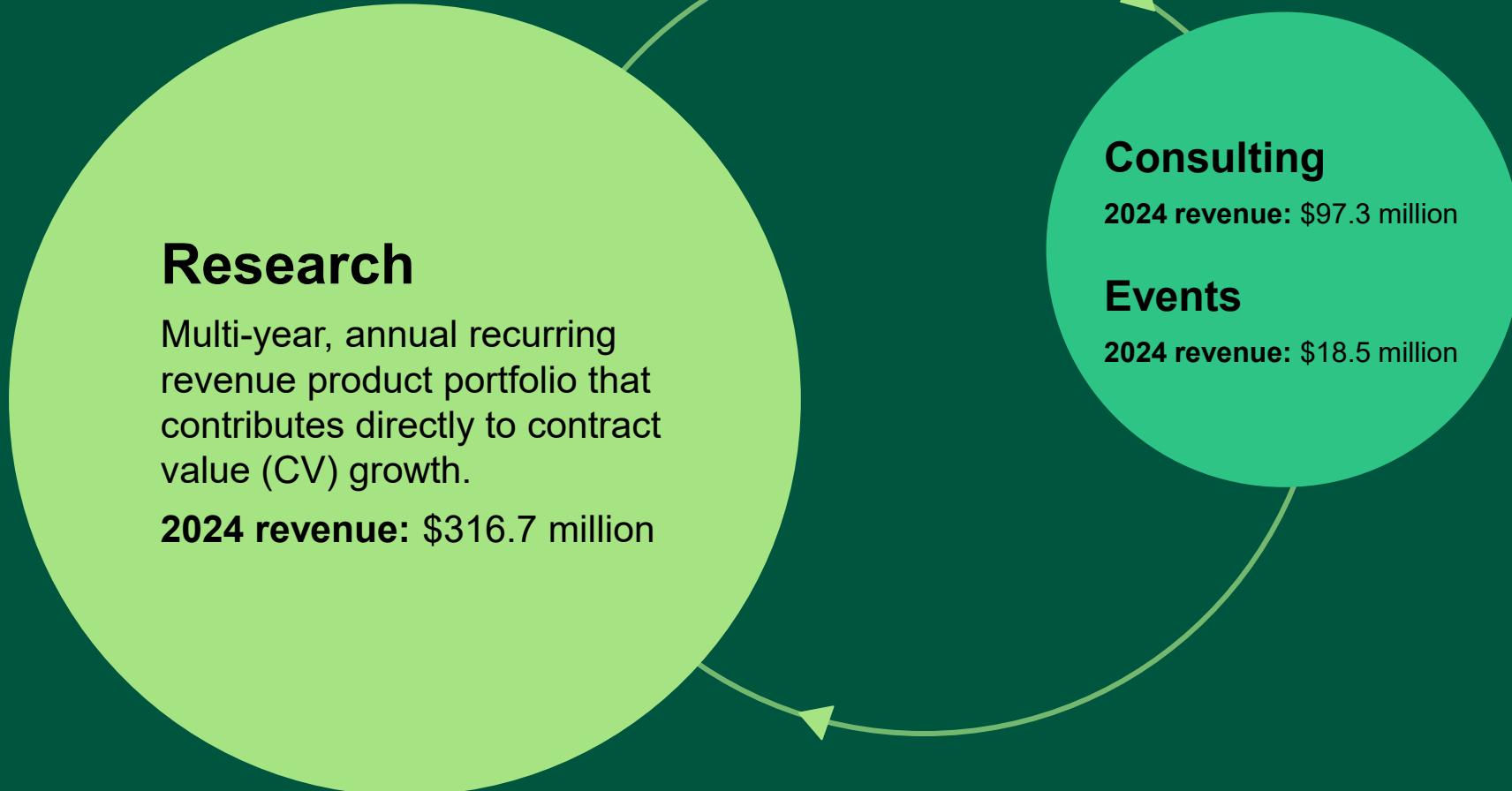
Total Available Research Market

Massive untapped research
market opportunity

MARKET OPPORTUNITY

**\$115
BILLION**

Research, Consulting & Events: A System To Drive Contract Value



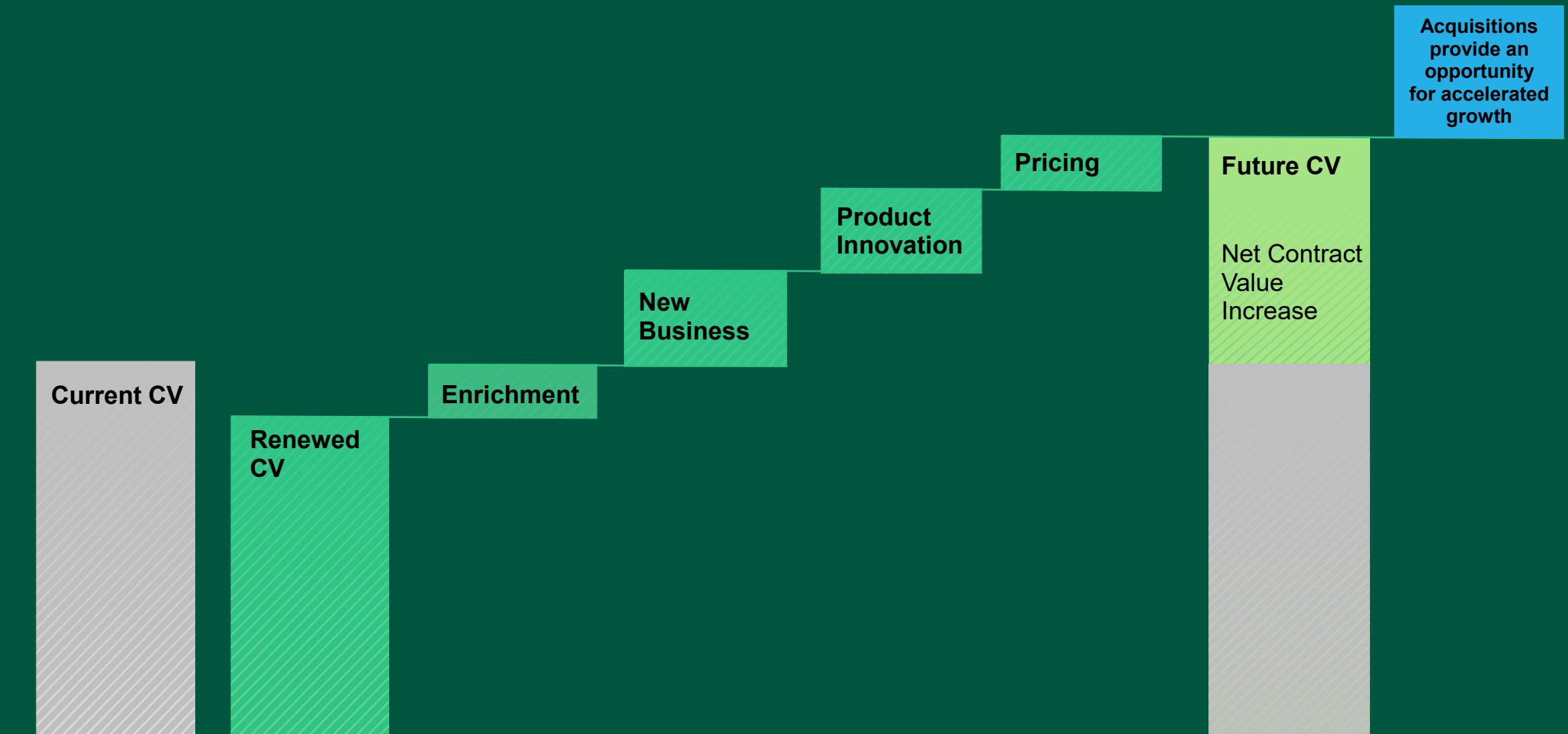
Consulting: Forrester Consulting helps clients implement modern strategies that align and empower teams to deliver on a shared vision for growth.

Our Consulting business includes consulting projects and advisory services.

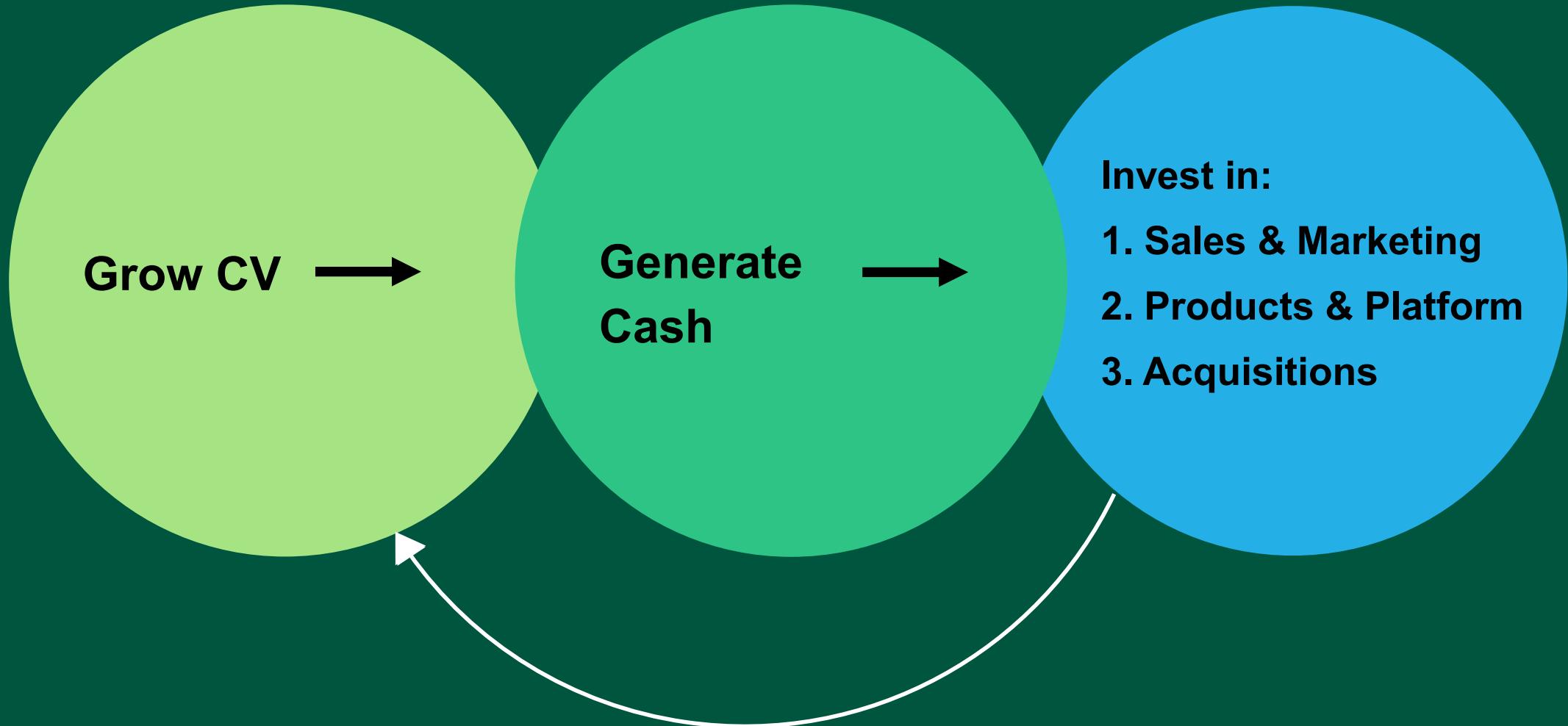
Events: Aligned with Forrester's research product portfolio and go-to-market offerings, Forrester Events brings its research to life.

Forrester hosts approximately 10 events each year, in North America, EMEA and APAC.

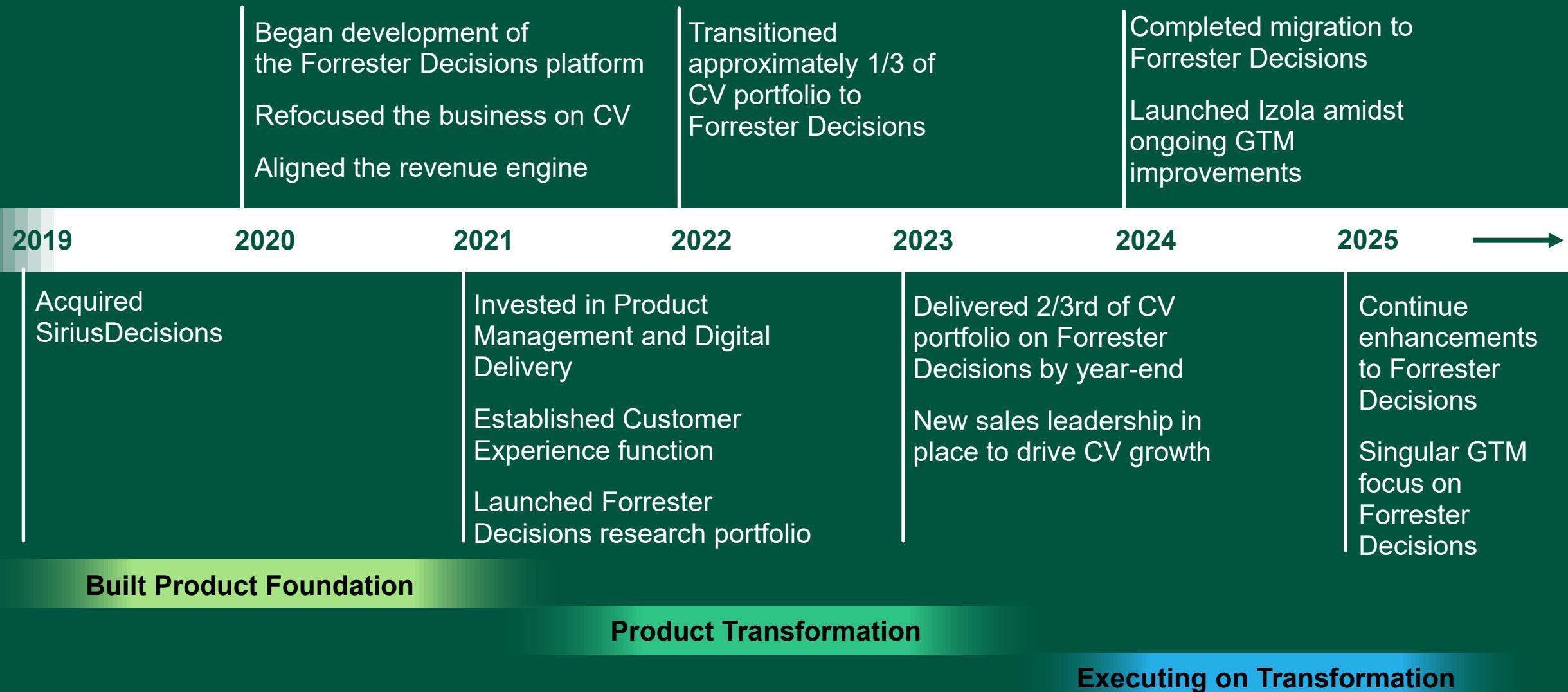
Growing Contract Value



The Forrester Contract Value Growth Engine



Forrester's Transformation Aimed At Driving Sustained Contract Value Growth

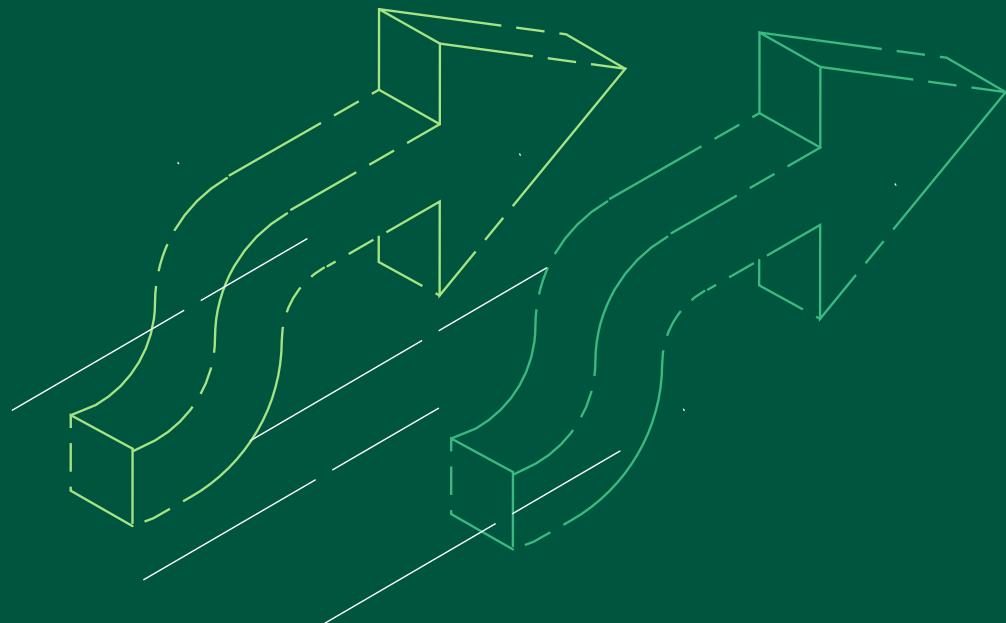


Forrester: A Unique Continuous Guidance Model



Forrester Decisions

Business and technology leaders rely on Forrester Decisions to tackle their initiatives and deliver business outcomes.



Portfolio of 13 distinct services that support 25 different functions across the business

Value delivered through unique continuous guidance model tuned to each clients' context

Creates bedrock of client knowledge and continuity from project to project

Seamless connection to further engagement through consulting

Forrester Decisions: What's Inside?

Bold Vision

Stay ahead of changing customer and market dynamics, plan for the future, and set your strategy with leading research and insights.

- **Big Research Themes**
- **Customer Insights**
- **Predictions**
- **Market Forecasts**
- **Technology And Service Provider Landscapes**

Curated Tools And Frameworks

Empower your team to conquer your priorities with proven strategic models and plug-and-play templates.

- **Key Performance Indicators**
- **Peer Benchmarks**
- **Assessments**
- **Strategic Models**
- **Tools and Templates**
- **Forrester Wave™ Evaluations**
- **Certification Courses**

Hands-On Guidance

Accelerate progress and de-risk decisions with best practices tailored to you and your team.

- **Guidance Sessions**
- **Peer Discussions**
- **Event Attendance**
- **Dedicated Relationship Management**

Forrester Helps These Executives & Their Teams Accelerate Growth Through Customer Obsession



Forrester Decisions: How it Works

Clients tackle their initiatives and deliver outcomes with Forrester Decisions.

Guidance Sessions

Meet with an expert to discuss your initiatives.

Assessments and Benchmarks

Self-assess to identify key areas for growth and request data benchmarks to measure it.

Peer Discussions

Hear from others, share wins and lessons learned.

Events

Get inspired, align your team, and connect with analysts at events.



Izola

Get oriented fast on best practices and tools for action.

Forrester Delivers Results For Our Clients

12% increase in digitally active banking clients over two years

- A consumer bank undergoing digital transformation to differentiate the business and accelerate growth

Revenue was 140% over target projections.

- An insurance company that relied on Forrester to drive its customer-focused digital transformation effort

45% increase in community membership

- A software company aligned at key points in the customer journey to activate advocacy and long-term retention

Saved \$100,000 and eliminated 1M+ outdated records

- An expense management company, looking to improve data quality and data policies

\$1.5 billion in total opportunity value

- A printing and imaging company looking to increase product launch effectiveness and enhance corporate communications

Top customer industries

- Business services
- High-tech
- Financial services
- Consumer
- Government
- Manufacturing
- Healthcare
- Communication
- Utilities

The Value and ROI of Investing in Forrester Decisions

Forrester conducted a Total Economic Impact™ (TEI) study to examine the potential return on investment (ROI) organizations may realize by investing in Forrester Decisions.

The composite organization invests \$710,000 in costs and experiences \$2.54 million in benefits over three years, adding up to a net present value (NPV) of \$1.83 million and an ROI of 259%.



Three-Year Benefits For The Composite Organization

Improved success rate of transformational initiatives	\$1.1M
Optimized market expansion	\$884K
Faster time to value for transformational initiatives	\$406K
Gained operational efficiency	\$170K

Note: Benefits Present Value (Benefits PV), Net Present Value (NPV)

Leadership Team Well-Positioned To Scale The Business

Deep experience accelerating growth at global SaaS and CV-oriented companies



George F. Colony
Chairman of the
Board, Chief
Executive Officer



Andrew Cox
Chief Marketing
Officer



Ryan Darrah
Chief Legal
Officer



Michael Facemire
Chief Technology
Officer



Chris Finn
Chief Financial
Officer



Jobina Gonsalves
Chief People
Officer



Carrie Johnson
Chief Product
Officer



Sharyn Leaver
Chief Research
Officer



Nate Swan
Chief Sales
Officer

Financial Overview

Q2 2025

Q2 2025 Financial Summary

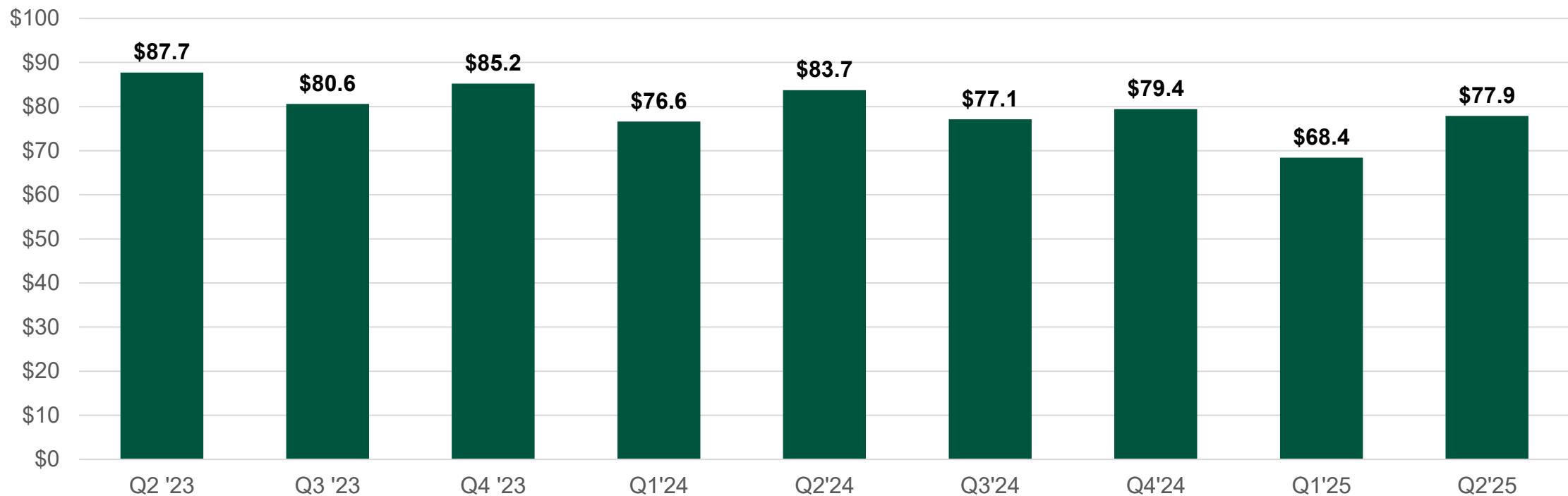
Consolidated Revenue	Research Revenue	Consulting Revenue	Event Revenue
\$111.7M -8% vs. PY	\$77.9M -7% vs. PY	\$23.5M -5% vs. PY	\$10.2M -23% vs. PY
Adj. Operating Margin	Adj. EPS	Adj. EBITDA Margin	Free Cash Flow
12.2% -250 bps vs. PY	\$0.51 -25% vs. PY	13.7% -270 bps vs. PY	-\$4.2M

Full Year 2024 Financial Summary

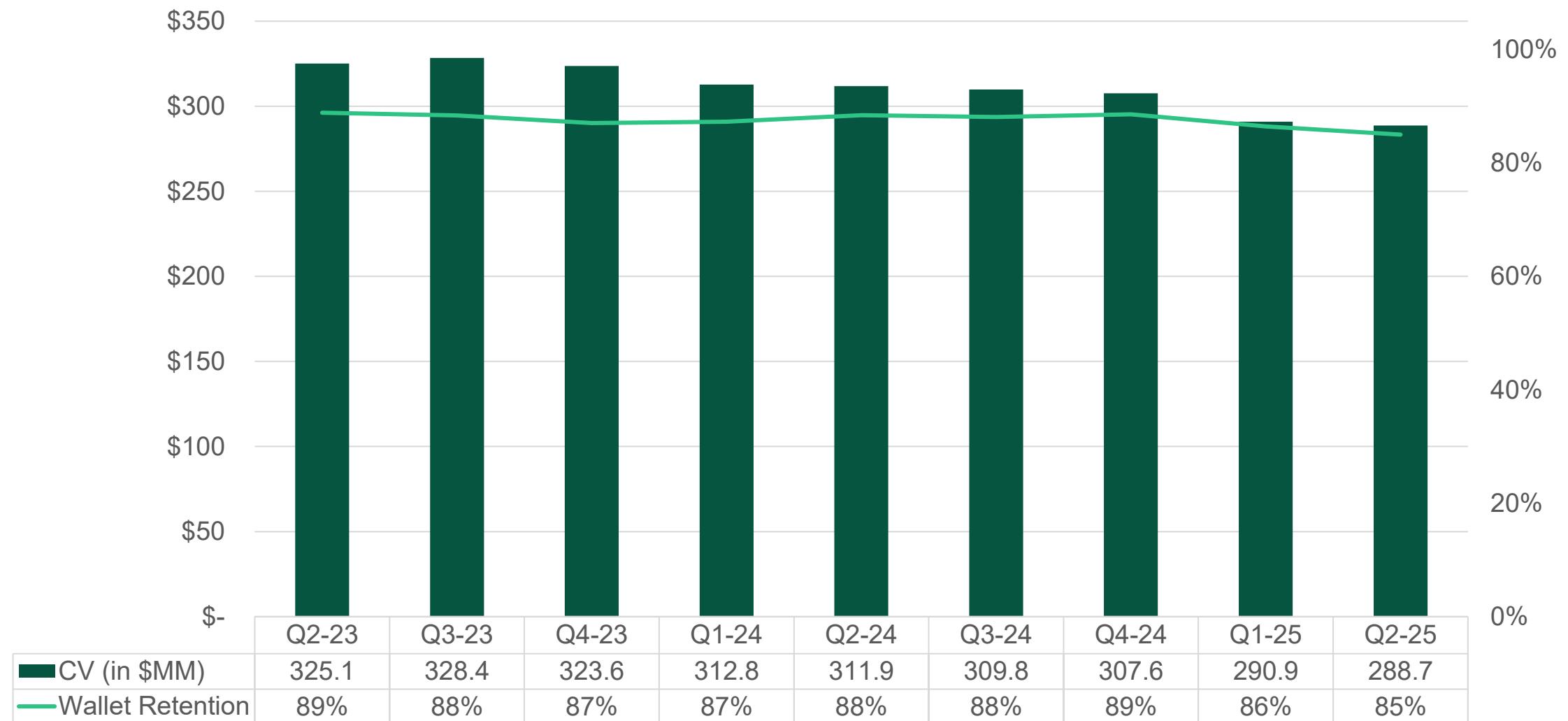
Consolidated Revenue	Research Revenue	Consulting Revenue	Event Revenue
\$432.5M -10% vs. PY	\$316.7M -5% vs. PY	\$97.3M -18% vs. PY	\$18.5M -34% vs. PY
Adj. Operating Margin	Adj. EPS	Adj. EBITDA Margin	Free Cash Flow
8.9% -197 bps vs. PY	\$1.47 -23% vs. PY	10.7% -198 bps vs. PY	-\$7.3M

Research Revenue Trends

Revenue by Quarter
(millions)

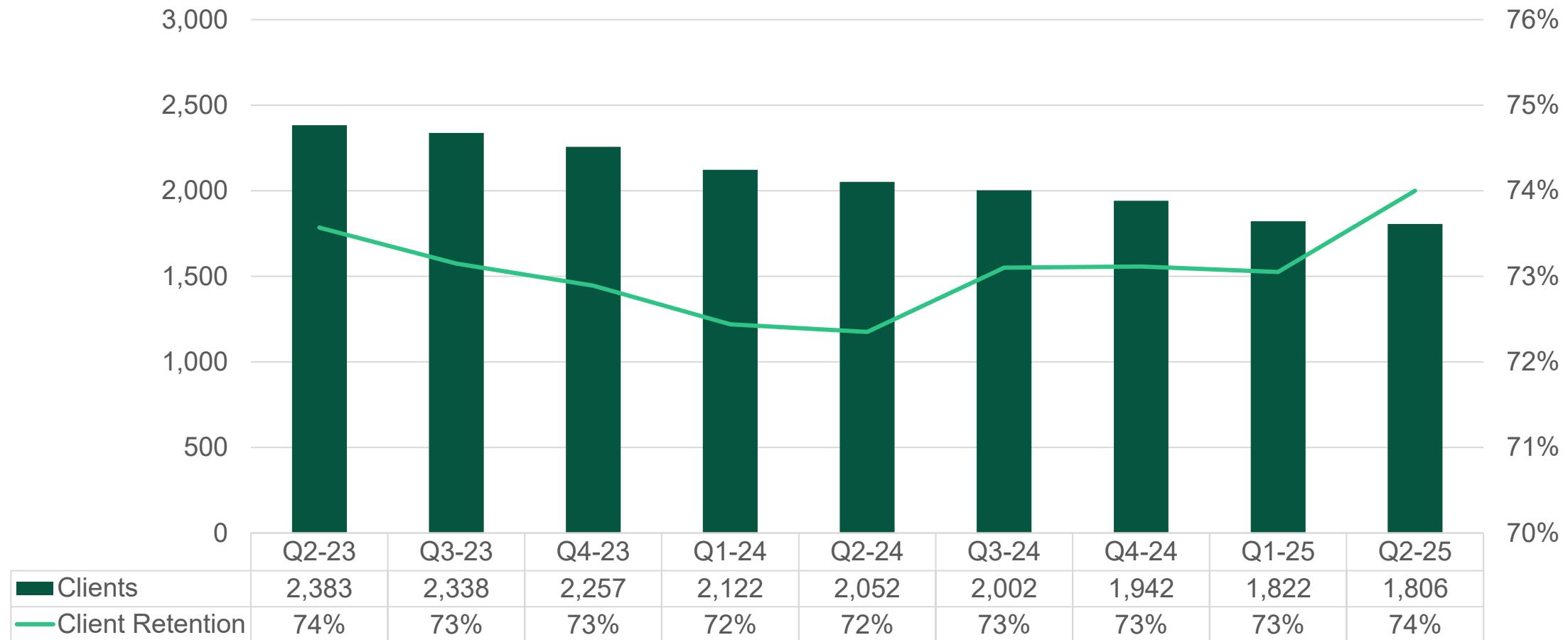


CV & Wallet Retention Trends



Note: Figures have been restated for 2025 FX rates.

Client Count & Client Retention Trends

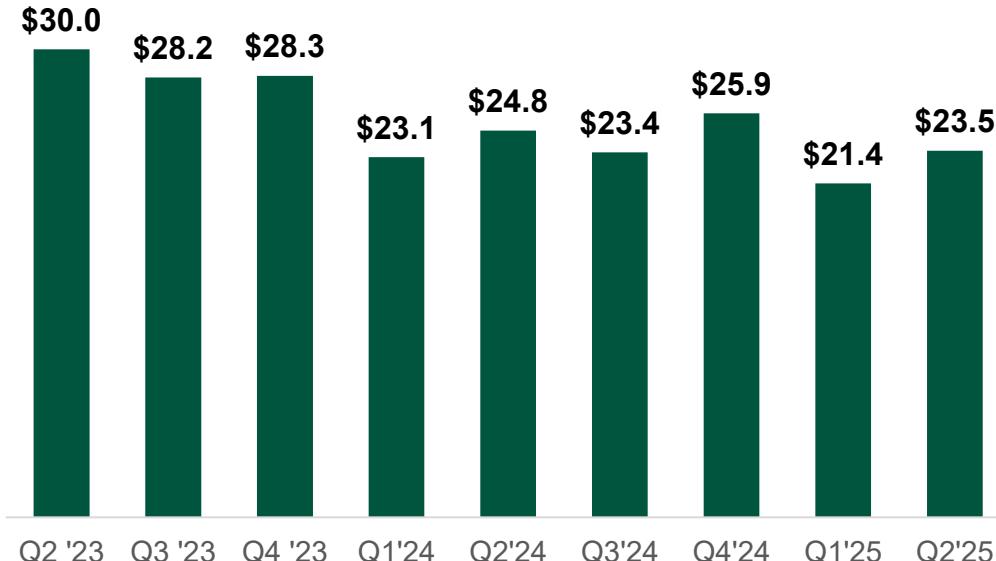


Note: For comparative purposes, we have recast client count and retention for the FeedbackNow divestiture.

Consulting and Event Revenue Trends

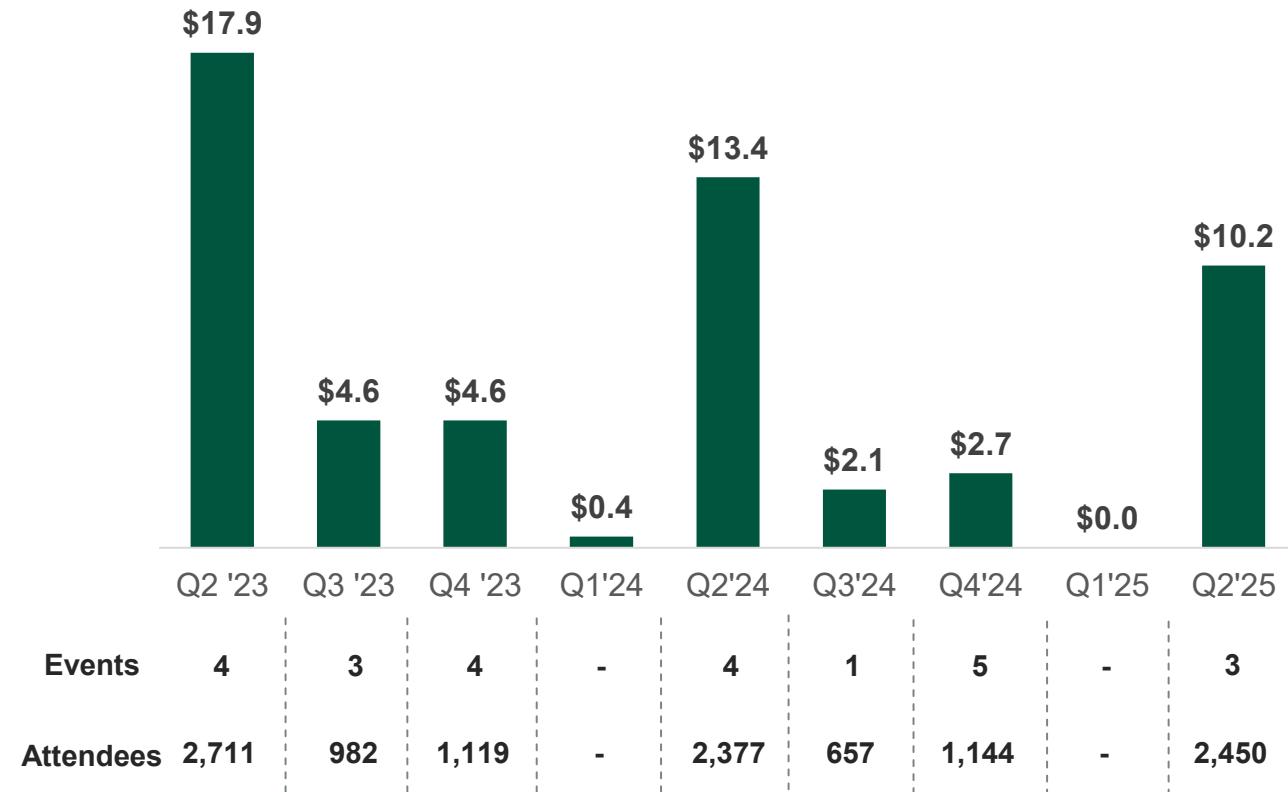
Consulting

Revenue by Quarter
(millions)



Events

Revenue by Quarter
(millions)



Note: Attendees are defined as paid and member tickets to events.

2025 Full Year Guidance

Revenue: \$400M to \$410M

- Declining 5% to 8% compared to prior year

Adjusted Operating Margin: 8.0% to 9.0%

- Declining ~90 bps to increasing ~10 bps compared to prior year

Adjusted EPS: \$1.20 to \$1.35

- Declining 8% to 18% compared to prior year

Non-GAAP Reconciliations

Non-GAAP Reconciliation – Income From Operations and EBITDA

(dollars in millions)	<u>Q2-24</u>	<u>Q2-25</u>	<u>YTD 24</u>	<u>YTD 25</u>
Income (loss) from operations - GAAP	\$11.3	\$7.0	\$2.0	(\$80.6)
Amortization of intangible assets	2.5	2.2	5.0	4.4
Restructuring costs	0.1	0.5	6.7	2.0
Goodwill impairment	--	--	--	83.9
Stock-based compensation included in the following expense categories:				
Cost of services and fulfillment	2.5	2.5	4.6	4.2
Selling and marketing	0.6	0.5	1.2	0.5
General and administrative	1.0	1.0	1.8	1.8
Adjusted income from operations	\$17.9	\$13.7	\$21.4	\$16.2
Depreciation	2.1	1.7	4.1	3.1
Adjusted EBITDA	\$20.0	\$15.3	\$25.5	\$19.3

Note: Amounts might not total due to rounding.

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Non-GAAP Reconciliation – Income From Operations and EBITDA

(dollars in millions)	<u>FY 24</u>
Income from operations - GAAP	\$0.7
Amortization of intangible assets	9.6
Restructuring costs	11.8
Divestment loss	2.0
Stock-based compensation included in the following expense categories:	
Cost of services and fulfillment	8.7
Selling and marketing	2.2
General and administrative	3.5
Adjusted income from operations	\$38.5
Depreciation	7.6
Adjusted EBITDA	\$46.1

Note: Amounts might not total due to rounding.

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Non-GAAP Reconciliation – Net Income and EPS

(dollars in millions, except per share)	Q2-24		Q2-25		YTD 24		YTD 25	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
Net income (loss) - GAAP	\$6.3	\$0.33	\$3.9	\$0.20	(\$0.4)	(\$0.02)	(\$83.4)	(\$4.39)
Effect on GAAP net loss of diluted shares	--	--	--	--	--	--	--	0.01
Amortization of intangible assets	2.5	0.13	2.2	0.12	5.0	0.26	4.4	0.23
Restructuring costs	0.1	0.01	0.5	0.03	6.7	0.35	2.0	0.11
Goodwill impairment	--	--	--	--	--	--	83.9	4.41
Stock-based compensation	4.0	0.21	4.0	0.21	7.6	0.40	6.5	0.34
Loss on investments	--	--	--	--	--	--	1.0	0.05
Tax effects of items above	(1.3)	(0.07)	(1.3)	(0.07)	(3.8)	(0.20)	(2.5)	(0.13)
Adjustment to tax expense for adjusted tax rate	1.3	0.07	0.5	0.02	0.6	0.03	(0.2)	(0.01)
Adjusted net income	\$12.9	\$0.68	\$9.8	\$0.51	\$15.7	\$0.82	\$11.8	\$0.62
Diluted weighted average shares outstanding	19.1		19.2		19.2		19.0	

Note: Amounts might not total due to rounding.

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Non-GAAP Reconciliation – Net Income and EPS

(dollars in millions, except per share)	<u>FY 24</u>	
	<u>Amount</u>	<u>Per Share</u>
Net loss - GAAP	(\$5.7)	(\$0.30)
Amortization of intangible assets	9.6	0.50
Restructuring costs	11.8	0.62
Divestment loss	2.0	0.10
Stock-based compensation	14.3	0.75
Gains on investments	(0.8)	(0.04)
Tax effects of items above	(3.9)	(0.20)
Adjustment to tax expense for adjusted tax rate	0.8	0.04
Adjusted net income	\$28.1	\$1.47
Diluted weighted average shares outstanding	19.1	

Note: Amounts might not total due to rounding.

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Non-GAAP Cash Flow Reconciliation

(dollars in millions)	<u>YTD</u> <u>Q2-22</u>	<u>YTD</u> <u>Q2-23</u>	<u>YTD</u> <u>Q2-24</u>	<u>YTD</u> <u>Q2-25</u>
Net cash provided by (used in) operating activities	\$34.8	\$15.8	(\$2.3)	\$23.1
Less: purchases of property and equipment	(2.7)	(2.7)	(2.3)	(1.3)
Free cash flow	\$32.1	\$13.1	(\$4.6)	\$21.8

(dollars in millions)	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
Net cash provided by (used in) operating activities	\$107.1	\$39.4	\$21.7	(\$3.9)
Less: purchases of property and equipment	(10.7)	(5.7)	(5.5)	(3.4)
Free cash flow	\$96.3	\$33.8	\$16.2	(\$7.3)

Note: Amounts might not total due to rounding.

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Non-GAAP Margin and EPS Full Year 2025 Guidance Reconciliation

	<u>Low End of Range</u>	<u>High End of Range</u>
GAAP operating margin	-18.4%	-17.4%
Amortization of intangible assets	2.1%	2.1%
Restructuring costs	0.5%	0.5%
Goodwill impairment	20.7%	20.7%
Stock-based compensation	3.1%	3.1%
Adjusted operating margin	8.0%	9.0%

	<u>Low End of Range</u> Per Share	<u>High End of Range</u> Per Share
GAAP - loss per share	(\$4.16)	(\$4.01)
Amortization of intangible assets	0.45	0.45
Restructuring costs	0.10	0.10
Goodwill impairment	4.37	4.37
Stock-based compensation	0.65	0.65
Loss on investments, net	0.05	0.05
Tax effects of items above	(0.26)	(0.26)
Adjusted - earnings per share	\$ 1.20	\$ 1.35

Note: Amounts might not total due to rounding.

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Metric Definitions

Metric Definitions

Contract Value (CV) represents the value attributable to all of our recurring research-related contracts. It is calculated as the annualized value of all contracts in effect at a specific point in time, without regard to how much revenue has already been recognized. Contract value primarily consists of subscription-based products for which revenue is recognized on a ratable basis, except for the entitlements embedded in our subscription products, such as event tickets and advisory sessions, for which the revenue is recognized when the item is utilized. Contract value also includes our reprint products, as these products are used throughout the year by our clients and are typically renewed.

Wallet Retention represents a measure of the CV that we have retained with clients over a twelve-month period, including increases or decreases in retained client CV during the period. Wallet retention is calculated on a percentage basis by dividing the annualized contract value of our current clients, who were also clients a year ago, by the total annualized contract value from a year ago.

Metric Definitions

Client Retention represents the percentage of client companies (defined as all clients that buy a CV product) at the prior year measurement date that have active contracts at the current year measurement date.

Client Count is the total of enterprise clients with an active CV contract.

Free Cash Flow is calculated as cash flow generated from operating activities less cash paid for property and equipment.

Thank You.
