UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): August 6, 2026

Sprout Social, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-39156**	**27-2404165**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

131 South Dearborn St., Suite 700 **Chicago , Illinois** **(Address of Principal Executive Offices)**	**60603** **(Zip Code)**

(866) 878-3231
(Registrant's telephone number, including area code)

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.0001 par value per share	SPT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On August 6, 2026, Sprout Social, Inc. (the ***"Company"***) issued a press release announcing its results for the quarter ended June 30, 2026, and providing its business outlook. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On August 6, 2026, the Company posted an investor presentation to its website at https://investors.sproutsocial.com (the ***"Investor Presentation"***). A copy of the Investor Presentation is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference. The Company expects to use the Investor Presentation, in whole or in part, and possibly with modifications, in connection with presentations to investors, analysts and others.

The information contained in the Investor Presentation is summary information that is intended to be considered in the context of the Company's Securities and Exchange Commission (***"SEC"***) filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Investor Presentation speaks only as of the date of this Current Report on Form 8-K. The Company undertakes no duty or obligation to publicly update or revise the information contained in the Investor Presentation, although it may do so from time to time. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure. In addition, the exhibit furnished herewith contains statements intended as "forward-looking statements" that are subject to the cautionary statements about forward-looking statements set forth in such exhibit. By furnishing the information contained in the Investor Presentation, the Company makes no admission as to the materiality of any information in the Investor Presentation that is required to be disclosed solely by reason of Regulation FD.

The information set forth in Items 2.02 and 7.01 of this Current Report on Form 8-K (including Exhibits 99.1 and 99.2) is furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the ***"Exchange Act"***), or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended (the ***"Securities Act"***), nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Note Regarding Forward-Looking Statements

Certain statements in this Current Report on Form 8-K constitute "forward-looking statements" within the meaning of the federal securities laws. These statements are based on management's current opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results. These forward-looking statements are only predictions, not historical fact, and involve certain risks and uncertainties, as well as assumptions. Actual results, levels of activity, performance, achievements and events could differ materially from those stated, anticipated or implied by such forward-looking statements. While the Company believes that its assumptions are reasonable, it is very difficult to predict the impact of known factors, and, of course, it is impossible to anticipate all factors that could affect actual results. There are many risks and uncertainties that could cause actual results to differ materially from forward-looking statements made herein including the risks discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on February 27, 2026, as well as other factors described from time to time in the Company's other filings with the SEC. Such forward-looking statements are made only as of the date of this Current Report on Form 8-K. The Company undertakes no obligation to publicly update or revise any forward-looking statement because of new information, future events or otherwise, except as otherwise required by law. If it does update one or more forward-looking statements, no inference should be made that the Company will make additional updates with respect to those or other forward-looking statements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release dated August 6, 2026
99.2	Investor Presentation dated August 6, 2026
104	Cover page interactive data file (embedded within the inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SPROUT SOCIAL, INC.

By: /s/ Heidi Jonas
Name: Heidi Jonas
Title: General Counsel and Secretary

Date: August 6, 2026

Sprout Social Announces Second Quarter 2026 Financial Results
Approximated TTM Subscription Revenue Contribution for ≥$30K ARR Customers Grew 20% year-over-year

CHICAGO, August 6, 2026 – Sprout Social, Inc. ("Sprout Social", the "Company") (NASDAQ: SPT), a leading AI-powered Social Intelligence Platform, today announced financial results for its second quarter ended June 30, 2026.

"We are pleased with our financial performance this quarter, highlighted by 11% year-over-year revenue growth and a 20% year-over-year increase in approximated trailing twelve month subscription revenue contribution from our $30k+ ARR customer cohort," said Ryan Barretto, CEO of Sprout Social. *"We also demonstrated strong discipline in our profitability this quarter - delivering non-GAAP operating income $6.1 million above our guidance range."*

Second Quarter 2026 Financial Highlights

Revenue

- Revenue was $123.8 million, up 11% compared to the second quarter of 2025.
- Total remaining performance obligations (RPO) of $400.8 million as of June 30, 2026, up 16% year-over-year.
- Current remaining performance obligations (cRPO) of $282.7 million as of June 30, 2026, up 12% year-over-year.

Operating Income (Loss)

- GAAP operating loss was ($2.7) million, compared to ($12.3) million in the second quarter of 2025.
- Non-GAAP operating income was $16.0 million, compared to $10.3 million in the second quarter of 2025.

Net Income (Loss)

- GAAP net loss was ($3.1) million, compared to ($12.0) million in the second quarter of 2025.
- Non-GAAP net income was $15.6 million, compared to $10.7 million in the second quarter of 2025.
- GAAP net loss per share was ($0.05) based on 60.2 million weighted-average shares of common stock outstanding, compared to ($0.21) based on 58.4 million weighted-average shares of common stock outstanding in the second quarter of 2025.
- Non-GAAP net income per share was $0.26 based on 60.2 million weighted-average shares of common stock outstanding, compared to $0.18 based on 58.4 million weighted-average shares of common stock outstanding in the second quarter of 2025.

Cash

- Cash and cash equivalents totaled $119.9 million as of June 30, 2026, compared to $111.6 million as of March 31, 2026.
- Net cash provided by operating activities was $8.5 million, compared to $5.1 million in the second quarter of 2025.
- Non-GAAP free cash flow was $8.3 million, compared to $5.2 million in the second quarter of 2025.

See "Use of Non-GAAP Financial Measures" below for definitions of Non-GAAP operating income (loss), Non-GAAP net income (loss), Non-GAAP net income (loss) per share and Non-GAAP free cash flow and the financial tables that accompany this release for reconciliations of our non-GAAP measures to their closest comparable GAAP measures. See "Key Business Metrics" below for how Sprout Social defines RPO, cRPO, the number of customers contributing $30,000 or more in ARR, the number of customers contributing $50,000 or more in ARR and approximated TTM subscription revenue contribution from customers contributing $30,000 or more in ARR.

Customer Metrics

- Grew number of customers contributing $30,000 or more in ARR to 3,926 customers as of June 30, 2026, up 11% compared to June 30, 2025.
- Grew number of customers contributing $50,000 or more in ARR to 2,127 customers as of June 30, 2026, up 16% compared to June 30, 2025.

Beginning in the fourth quarter of 2025, we replaced our disclosure of customers with ARR of $10,000 or more with customers with ARR of $30,000 or more. We believe this metric better reflects our strategic focus on larger customers and aligns with how management evaluates performance and allocates resources. Prior-period amounts have been presented for comparability.

	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Number of customers contributing $30,000 or more in ARR	3,226	3,374	3,451	3,538	3,711	3,803	3,875	3,926
Approximated TTM Subscription Revenue Contribution for ≥$30K ARR Customers	$206.2	$219.2	$231.8	$243.3	$255.2	$268.0	$280.1	$291.7
Approximated TTM Subscription Revenue Contribution for ≥$30K ARR Customers as a % of Total Subscription Revenue	53.1%	54.5%	55.9%	56.9%	57.9%	59.1%	60.3%	61.4%

Recent Customer Highlights

- During the second quarter, we had the opportunity to grow with new and existing customers, including Salesforce, Cintas, MillerKnoll, Church & Dwight, Regal Cinemas, Wiley, and CoreWeave.

Recent Business Highlights

Sprout Social recently:

- Released the 2026 Influencer Marketing Report (link)
- Named as a Visionary in the 2026 Gartner Magic Quadrant for Social Media Management and Listening (link)
- Expanded Snapchat integration, giving brands a direct line to highly engaged audiences (link)
- Released the Q2 2026 Pulse Survey highlighting social media as the primary channel for brand crisis response (link)
- Unveiled AI-Powered social intelligence platform and the expansion of proprietary AI Agent, Trellis (link)

Third Quarter and 2026 Financial Outlook

For the third quarter of 2026, the Company currently expects:

- Total revenue between $123.3 million and $124.1 million.
- Non-GAAP operating income between $17.5 million and $18.3 million.
- Non-GAAP net income per share between $0.29 and $0.30 based on approximately 60.7 million weighted-average shares of common stock outstanding.

For the full year 2026, the Company currently expects:

- Total revenue between $493.0 million and $495.6 million.

- Non-GAAP operating income between $68.3 million and $70.3 million, an increase of 20% over the midpoint of our prior year outlook.
- Non-GAAP net income per share between $1.11 and $1.15 based on approximately 60.6 million weighted-average shares of common stock outstanding.

The Company raised its outlook for non-GAAP operating margin exiting the fourth quarter of 2026 from 15% to approximately 17%. The Company reiterates its 30% target for a Rule of 40 framework (as defined by year-over-year revenue growth plus current quarter non-GAAP operating margin) by the fourth quarter of fiscal 2027.

The Company's third quarter and 2026 financial outlook is based on a number of assumptions that are subject to change and many of which are outside the Company's control. If actual results vary from these assumptions, the Company's expectations may change. There can be no assurance that the Company will achieve these results.

The Company does not provide guidance for operating loss, the most directly comparable GAAP measure to non-GAAP operating income, operating margin, the most directly comparable GAAP measure to non-GAAP operating margin, or net loss per share, the most directly comparable GAAP measure to non-GAAP net income per share, and similarly cannot provide a reconciliation between its forecasted non-GAAP operating income, non-GAAP operating margin and non-GAAP net income per share and these comparable GAAP measures without unreasonable effort due to the unavailability of reliable estimates for certain items. These items are not within the Company's control and may vary greatly between periods and could significantly impact future financial results.

Conference Call Information

The financial results and business highlights will be discussed on a conference call and webcast scheduled at 3:30 p.m. Central Time (4:30 p.m. Eastern Time) today, August 6, 2026. Online registration for this event conference call can be found at https://events.q4inc.com/analyst/. The live webcast of the conference call can be accessed from Sprout Social's investor relations website at http://investors.sproutsocial.com.

Following completion of the events, a webcast replay will also be available at http://investors.sproutsocial.com for 12 months.

About Sprout Social

Sprout Social is a leading AI-powered Social Intelligence Platform, built on the belief that All Business is Social℠. Powered by Trellis, Sprout's proprietary AI agent, the platform is designed to transform real-time social media signals into actionable insights that drive business forward. Consistently recognized as a top software by G2, Sprout enables brands to deliver smarter, faster business impact through a suite of solutions including comprehensive publishing and engagement, customer care, influencer marketing, advocacy and predictive media intelligence. Sprout's software operates across all major social networks and digital platforms. For more information about Sprout Social (NASDAQ: SPT), visit sproutsocial.com.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements by the use of words such as "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "explore," "future," "intend," "long-term model," "may," "might," "outlook," "plan," "potential," "predict," "project," "should," "strategy," "target," "will," "would," or the negative of these terms, and similar expressions intended to identify forward-looking statements, as they relate to Sprout Social, our business and our management. However, not all forward-looking statements contain these identifying words. Forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by Sprout Social and our management based on their knowledge and understanding of the business and industry, are inherently uncertain. These statements may relate to our market size and growth strategy, our estimated and projected costs, margins, revenue, expenditures and customer and financial growth rates, our Q3 2026 and full year 2026 financial outlook, our plans and objectives for future operations, growth, initiatives or strategies, including our investments in research and development, our workforce reduction plan approved in July 2026, and share repurchases, and other statements that are not historical fact. By their nature, these statements are subject to numerous uncertainties and risks, including factors beyond our control, that could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the forward-looking statements. These assumptions, uncertainties and risks include that, among others: our workforce reduction plan may not achieve the anticipated benefits and could adversely affect our business, we may not be able to sustain our revenue and customer growth rate in the future, including due to risks associated with our strategic focus on enterprise customers; price increases have negatively impacted and price increases and packaging changes may in the future negatively impact demand for our products,

customer acquisition and retention and reduce the total number of customers or customer additions; our business would be harmed by any significant interruptions, delays or outages in services from our platform, our API providers, or certain social media platforms, or if we are unable to renew agreements governing access to the data provided by such APIs on terms acceptable to us or at all; if we are unable to attract potential customers through unpaid channels, or other sources of demand, including expansion opportunities from existing customers and outbound sales efforts or convert prospective customers and expansion opportunities into paid subscriptions, our business and results of operations may be adversely affected; technological advances in AI may in the future disrupt the social media industry, which could significantly reduce the demand for our services or otherwise adversely impact our business or reputation if we are unable to keep pace and navigate this evolving environment; we may be unable to successfully enter new markets, manage our international expansion and comply with any applicable international laws and regulations; we may be unable to integrate acquired businesses or technologies successfully or achieve the expected benefits of such acquisitions and investments; unstable market, economic, and geopolitical conditions, such as recession risks, effects of inflation, tariffs and trade tensions, changes in government spending, labor shortages, supply chain issues, geopolitical instability and uncertainty, and fluctuation in interest rates, have and could continue to adversely impact our business and that of our existing and prospective customers, which may result in reduced demand for our products; we may not be able to generate sufficient cash to service our indebtedness; covenants in our credit agreement may restrict our operations, and if we do not effectively manage our business to comply with these covenants, our financial condition could be adversely impacted; any cybersecurity-related attack, significant data breach or disruption of the information technology systems or networks on which we rely could negatively affect our business; changing regulations relating to privacy, information security and data protection could increase our costs, affect or limit how we collect and use personal information and harm our brand; and risks related to ongoing legal proceedings. These forward-looking statements should not be read as a guarantee of future performance or results, and stockholders should not place undue reliance on forward-looking statements. Additional risks and uncertainties that could cause actual outcomes and results to differ materially from those contemplated by the forward-looking statements are included under the caption “Risk Factors” and elsewhere in our filings with the Securities and Exchange Commission (the “SEC”), including our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on February 27, 2026, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, filed with the SEC on May 8, 2026, and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, to be filed with the SEC, as well as any future reports that we file with the SEC. Moreover, you should interpret many of the risks identified in those reports as being heightened as a result of the current and ongoing instability in market, economic, and geopolitical conditions. Forward-looking statements speak only as of the date the statements are made and are based on information available to Sprout Social at the time those statements are made and/or management's good faith belief as of that time with respect to future events. Sprout Social assumes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made, except as required by law.

Use of Non-GAAP Financial Measures

We have provided in this press release certain financial information that has not been prepared in accordance with generally accepted accounting principles in the United States (“GAAP”). Our management uses these non-GAAP financial measures internally in analyzing our financial results and believes that these non-GAAP financial measures are useful to investors as additional tools to evaluate ongoing operating results and trends and in comparing our financial results with other companies in our industry, many of which present similar non-GAAP financial measures. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable financial measures prepared in accordance with GAAP and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. Our non-GAAP financial measures may differ from similarly titled measures presented by other companies and therefore may not be comparable. A reconciliation of our historical non-GAAP financial measures to the most directly comparable GAAP measures has been provided in the financial statement tables included in this press release, and investors are encouraged to review these reconciliations.

Non-GAAP gross profit. We define non-GAAP gross profit as GAAP gross profit, excluding stock-based compensation expense, amortization expense associated with the acquired developed technology from the Tagger Media, Inc. (“Tagger”) and NewsWhip Group Holdings Limited (“NewsWhip”) acquisitions, and restructuring and related charges. We believe non-GAAP gross profit provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as it eliminates the effect of stock-based compensation, amortization expense and restructuring and related charges, which are often unrelated to overall operating performance.

Non-GAAP operating income. We define non-GAAP operating income as GAAP loss from operations, excluding stock-based compensation expense, acquisition-related expenses, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration.

We believe non-GAAP operating income provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as it eliminates the effect of stock-based compensation, acquisition-related expenses, amortization expense, restructuring and related charges, non-cash (gains)/losses from lease modifications and termination and changes in the fair value of contingent consideration, which are often unrelated to overall operating performance.

Non-GAAP operating margin. We define non-GAAP operating margin as non-GAAP operating income (loss) as a percentage of revenue.

Non-GAAP net income. We define non-GAAP net income as GAAP net loss, excluding stock-based compensation expense, acquisition-related expenses, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration. We believe non-GAAP net income provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as this non-GAAP financial measure eliminates the effect of stock-based compensation, acquisition-related expenses, amortization expense, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration, which are often unrelated to overall operating performance.

Non-GAAP net income per share. We define non-GAAP net income per share as GAAP net loss per share attributable to common shareholders, basic and diluted, excluding stock-based compensation expense, acquisition-related expenses, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration. We believe non-GAAP net income per share provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as this non-GAAP financial measure eliminates the effect of stock-based compensation, acquisition-related expenses, amortization expense, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration, which are often unrelated to overall operating performance.

Non-GAAP free cash flow. We define non-GAAP free cash flow as net cash provided by operating activities, less expenditures for property and equipment, plus interest payments on our revolving credit facility and payments related to restructuring and related charges. Non-GAAP free cash flow does not reflect our future contractual obligations or represent the total increase or decrease in our cash balance for a given period. We believe non-GAAP free cash flow is a useful indicator of liquidity that provides information to management and investors about the amount of cash provided by our core operations that, after expenditures for property and equipment, interest payments on our revolving credit facility and payments related to restructuring and related charges, is available for strategic initiatives.

Non-GAAP sales and marketing expenses, non-GAAP research and development expenses and non-GAAP general and administrative expenses. Non-GAAP sales and marketing expenses, non-GAAP research and development expenses and non-GAAP general and administrative expenses are defined as sales and marketing expenses, research and development expenses and general and administrative expenses, respectively, less stock-based compensation expense, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges and changes in the fair value of contingent consideration. We believe these non-GAAP measures provide our management and investors with insight into day-to-day operating expenses given that these measures eliminate the effect of stock-based compensation, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges and changes in the fair value of contingent consideration.

Key Business Metrics

Remaining performance obligations (“RPO”). RPO, or remaining performance obligations, represents contracted revenue that has not yet been recognized, and includes deferred revenue and amounts that will be invoiced and recognized in future periods.

Current remaining performance obligations (“cRPO”). cRPO, or current RPO, represents contracted revenue that has not yet been recognized, and includes deferred revenue and amounts that will be invoiced and recognized in the next 12 months.

30% target for a Rule of 40. We define this target as year-over-year revenue growth plus current quarter non-GAAP operating margin equal to 30%.

Number of customers contributing $30,000 or more in ARR. We define number of customers contributing $30,000 or more in ARR as those on a paid subscription plan that had $30,000 or more in ARR as of a period end. We view the number of customers that contribute $30,000 or more in ARR as a measure of our ability to scale with our customers and attract larger organizations. We believe this represents potential for future growth, including expanding within our current customer base.

Number of customers contributing $50,000 or more in ARR. We define number of customers contributing $50,000 or more in ARR as those on a paid subscription plan that had $50,000 or more in ARR as of a period end. We view the number of customers that contribute $50,000 or more in ARR as a measure of our ability to scale with large customers and attract sophisticated organizations. We believe this represents potential for future growth, including expanding within our current customer base.

Approximated TTM Subscription Revenue Contribution for ≥$30K ARR Customers. This metric depicts our approximation of the trailing twelve month subscription revenue contribution from customers contributing $30,000 or more in ARR. We calculate this metric by averaging the ARR of these customers as of the end of the applicable quarter and the immediately preceding quarter and dividing by four to derive a quarterly revenue contribution estimate for this customer cohort. This quarterly estimate is then summed over the preceding four quarters to approximate a trailing twelve month revenue contribution for this customer cohort, subject to minor adjustments for rounding.

We believe that customers contributing $30,000 or more in ARR represent those customers that can benefit the most from our platform given their more sophisticated needs for social media management software as compared to customers below this spending threshold. We believe this metric is useful in measuring our success in serving this particular customer cohort. This metric does not reflect the actual revenue contribution by these customers over the trailing twelve month period, and should not be viewed in isolation as a substitute for revenue or any of our other financial measures presented in accordance with GAAP. We use this metric to approximate revenue contribution over a specified period because the historical data and account mapping is not available to present the actual revenue generated by this cohort of customers over a historical period.

While we no longer believe that ARR and number of customers are key performance indicators of Sprout Social's business, these metrics are necessary for an understanding of how we define number of customers contributing $30,000 or more in ARR and number of customers contributing $50,000 or more in ARR. For this purpose, we define ARR as the annualized revenue run-rate of subscription agreements from all customers as of the last date of the specified period and we define a customer as a unique account, multiple accounts containing a common non-personal email domain, or multiple accounts governed by a single agreement or entity.

We no longer believe that the number of customers contributing $10,000 or more in ARR is a key performance indicator of Sprout Social's business due to our evolving customer mix and we will no longer publicly disclose that metric. We believe that customers contributing $30,000 or more in ARR and approximated TTM subscription revenue contribution from customers contributing $30,000 or more in ARR are stronger indicators of Sprout Social's performance in its target customer segments.

Availability of Information on Sprout Social's Website and Social Media Profiles

Investors and others should note that Sprout Social routinely announces material information to investors and the marketplace using SEC filings, press releases, public conference calls, webcasts and the Sprout Social Investors website. We also intend to use the social media profiles listed below as a means of disclosing information about us to our customers, investors and the public. While not all of the information that the Company posts to the Sprout Social Investors website or to social media profiles is of a material nature, some information could be deemed to be material. Accordingly, the Company encourages investors, the media, and others interested in Sprout Social to review the information that it shares at the Investors link located at the bottom of the page on www.sproutsocial.com and to regularly follow our social media profiles. Users may automatically receive email alerts and other information about Sprout Social when enrolling an email address by visiting "Email Alerts" in the "Shareholder Services" section of Sprout Social's Investor website at https://investors.sproutsocial.com/.

Social Media Profiles:
www.twitter.com/SproutSocial
www.twitter.com/SproutSocialIR
www.facebook.com/SproutSocialInc
www.linkedin.com/company/sprout-social-inc-/
www.instagram.com/sproutsocial

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Sprout Social, Inc.

Consolidated Statements of Operations (Unaudited)

(in thousands, except share and per share data)

	Three Months Ended June 30,	
	2026	**2025**
Revenue		
Subscription	$ 121,877	$ 111,110
Professional services and other	1,970	668
Total revenue	123,847	111,778
Cost of revenue(1)		
Subscription	27,159	24,551
Professional services and other	600	383
Total cost of revenue	27,759	24,934
Gross profit	96,088	86,844
Operating expenses		
Research and development(1)	26,643	24,587
Sales and marketing(1)	47,416	48,152
General and administrative(1)	24,698	26,420
Total operating expenses	98,757	99,159
Loss from operations	(2,669)	(12,315)
Interest expense	(618)	(409)
Interest income	843	946
Other income (expense), net	(291)	356
Loss before income taxes	(2,735)	(11,422)
Income tax expense	354	563

Net loss	$ (3,089)	$ (11,985)
Net loss per share attributable to common shareholders, basic and diluted	$ (0.05)	$ (0.21)
Weighted-average shares outstanding used to compute net loss per share, basic and diluted	60,242,258	58,360,966

(1) Includes stock-based compensation expense as follows:

	Three Months Ended June 30,	
	2026	**2025**
Cost of revenue	$ 555	$ 684
Research and development	5,374	6,405
Sales and marketing	4,514	6,089
General and administrative	5,421	6,988
Total stock-based compensation expense	$ 15,864	$ 20,166

Sprout Social, Inc.

Consolidated Statements of Operations (Unaudited)

(in thousands, except share and per share data)

	Six Months Ended June 30,	
	2026	**2025**
Revenue		
Subscription	$ 241,897	$ 219,790
Professional services and other	3,447	1,277
Total revenue	245,344	221,067
Cost of revenue(1)		
Subscription	54,594	49,024
Professional services and other	1,156	748
Total cost of revenue	55,750	49,772
Gross profit	189,594	171,295
Operating expenses		
Research and development(1)	53,590	47,816
Sales and marketing(1)	95,962	95,604
General and administrative(1)	48,557	51,392
Total operating expenses	198,109	194,812

Loss from operations	(8,515)	(23,517)
Interest expense	(1,285)	(923)
Interest income	1,594	1,841
Other income (expense), net	(454)	188
Loss before income taxes	(8,660)	(22,411)
Income tax expense	765	794
Net loss	$ (9,425)	$ (23,205)
Net loss per share attributable to common shareholders, basic and diluted	$ (0.16)	$ (0.40)
Weighted-average shares outstanding used to compute net loss per share, basic and diluted	59,990,662	58,127,231

(1) Includes stock-based compensation expense as follows:

	Six Months Ended June 30,	
	2026	**2025**
Cost of revenue	$ 1,129	$ 1,430
Research and development	11,299	12,611
Sales and marketing	9,524	12,025
General and administrative	12,059	13,895
Total stock-based compensation expense	$ 34,011	$ 39,961

Sprout Social, Inc.

Consolidated Balance Sheets (Unaudited)

(in thousands, except share and per share data)

	June 30, 2026	**December 31, 2025**
Assets		
Current assets		
Cash and cash equivalents	$ 119,929	$ 95,268
Accounts receivable, net of allowances of $2,341 and $2,719 at June 30, 2026 and December 31, 2025, respectively	78,075	100,996
Deferred Commissions	28,956	26,995
Prepaid expenses and other assets	15,207	13,945
Total current assets	242,167	237,204

Property and equipment, net	9,982	9,864
Deferred commissions, net of current portion	56,093	57,049
Operating lease, right-of-use asset	8,972	9,810
Goodwill	167,122	167,122
Intangible assets, net	34,917	39,733
Other assets, net	2,962	2,280
Total assets	$ 522,215	$ 523,062
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 10,713	$ 10,115
Deferred revenue	193,419	205,639
Operating lease liability	2,799	2,664
Accrued wages and payroll related benefits	14,182	20,549
Accrued expenses and other	14,967	17,294
Total current liabilities	236,080	256,261
Revolving credit facility	32,500	40,000
Deferred revenue, net of current portion	1,169	752
Operating lease liability, net of current portion	10,583	12,055
Other non-current liabilities	13,333	10,572
Total liabilities	293,665	319,640
Stockholders' equity		
Class A common stock, par value $0.0001 per share; 1,000,000,000 shares authorized; 57,997,799 and 54,974,573 shares issued and outstanding at June 30, 2026, respectively; 56,576,444 and 53,607,556 shares issued and outstanding at December 31, 2025, respectively	5	5
Class B common stock, par value $0.0001 per share; 25,000,000 shares authorized; 5,816,301 and 5,609,357 shares issued and outstanding at June 30, 2026, respectively; 6,156,301 and 5,949,357 shares issued and outstanding at December 31, 2025, respectively	1	1
Additional paid-in capital	673,832	638,894
Treasury stock, at cost	(38,153)	(37,768)
Accumulated other comprehensive income	-	-
Accumulated deficit	(407,135)	(397,710)
Total stockholders’ equity	228,550	203,422
Total liabilities and stockholders’ equity	$ 522,215	$ 523,062

Sprout Social, Inc.

Consolidated Statements of Cash Flows (Unaudited)

(in thousands)

	Three Months Ended June 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (3,089)	$ (11,985)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization of property, equipment and software	917	764
Amortization of line of credit issuance costs	60	58
Amortization of acquired intangible assets	2,408	1,293
Amortization of deferred commissions	7,354	5,636
Amortization of right-of-use operating lease asset	423	381
Stock-based compensation expense	15,864	20,166
Provision for accounts receivable allowances	802	1,116
Change in fair value of contingent consideration	(355)	-
Loss on lease termination	-	1,175
Other, net	(366)	-
Changes in operating assets and liabilities, excluding impact from business acquisition		
Accounts receivable	(9,462)	(3,598)
Prepaid expenses and other current assets	1,335	3,430
Deferred commissions	(8,418)	(7,518)
Accounts payable and accrued expenses	2,479	(1,734)
Deferred revenue	(812)	(2,788)
Lease liabilities	(672)	(1,306)
Net cash provided by operating activities	8,468	5,090
Cash flows from investing activities		
Expenditures for property and equipment	(621)	(908)
Proceeds from maturity of marketable securities	-	1,000
Net cash (used in) provided by investing activities	(621)	92
Cash flows from financing activities		
Repayments of line of credit	-	(5,000)
Payments for line of credit issuance costs	-	(486)

Proceeds from employee stock purchase plan	587	944
Employee taxes paid related to the net share settlement of stock-based awards	(122)	-
Net cash provided by (used in) financing activities	465	(4,542)
Net increase in cash, cash equivalents, and restricted cash	8,312	640
Cash, cash equivalents, and restricted cash		
Beginning of period	113,557	104,915
End of period	$ 121,869	$ 105,555

Sprout Social, Inc.

Consolidated Statements of Cash Flows (Unaudited)

(in thousands)

	Six Months Ended June 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (9,425)	$ (23,205)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization of property, equipment and software	1,839	1,989
Amortization of line of credit issuance costs	119	110
Accretion of discount on marketable securities	-	(7)
Amortization of acquired intangible assets	4,816	2,586
Amortization of deferred commissions	14,374	10,919
Amortization of right-of-use operating lease asset	838	722
Stock-based compensation expense	34,011	39,961
Provision for accounts receivable allowances	1,080	2,245
Change in fair value of contingent consideration	(848)	-
Loss on lease termination	-	1,175
Other, net	(431)	-
Changes in operating assets and liabilities, excluding impact from business acquisition		
Accounts receivable	21,841	14,524
Prepaid expenses and other current assets	(2,224)	201
Deferred commissions	(15,380)	(15,095)
Accounts payable and accrued expenses	(3,787)	(3,221)

Deferred revenue	(11,803)	(7,578)
Lease liabilities	(1,336)	(2,132)
Net cash provided by operating activities	33,684	23,194
Cash flows from investing activities		
Expenditures for property and equipment	(1,720)	(2,265)
Proceeds from maturity of marketable securities	-	3,750
Net cash (used in) provided by investing activities	(1,720)	1,485
Cash flows from financing activities		
Repayments of line of credit	(7,500)	(10,000)
Payments for line of credit issuance costs	-	(486)
Proceeds from employee stock purchase plan	587	944
Employee taxes paid related to the net share settlement of stock-based awards	(385)	-
Net cash used in financing activities	(7,298)	(9,542)
Net increase in cash, cash equivalents, and restricted cash	24,666	15,137
Cash, cash equivalents, and restricted cash		
Beginning of period	97,203	90,418
End of period	$ 121,869	$ 105,555

The following schedule reflects our non-GAAP financial measures and reconciles our non-GAAP financial measures to the related GAAP financial measures (in thousands, except per share data):

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Reconciliation of Non-GAAP gross profit				
Gross profit	$ 96,088	$ 86,844	$ 189,594	$ 171,295
Stock-based compensation expense	555	684	1,129	1,430
Amortization of acquired developed technology	1,125	705	2,250	1,410
Restructuring and related charges	-	-	-	416
Non-GAAP gross profit	$ 97,768	$ 88,233	$ 192,973	$ 174,551
Reconciliation of Non-GAAP operating income				
Loss from operations	$ (2,669)	$ (12,315)	$ (8,515)	$ (23,517)
Stock-based compensation expense	15,864	20,166	34,011	39,961

Amortization of acquired intangible assets	2,328	1,213	4,656	2,426
Restructuring and related charges	816	-	816	2,731
Loss on lease termination	-	1,175	-	1,175
Change in fair value of contingent consideration	(355)	-	(848)	-
Acquisition-related expenses	-	90	-	90
Non-GAAP operating income	$ 15,984	$ 10,329	$ 30,120	$ 22,866
Reconciliation of Non-GAAP net income				
Net loss	$ (3,089)	$ (11,985)	$ (9,425)	$ (23,205)
Stock-based compensation expense	15,864	20,166	34,011	39,961
Amortization of acquired intangible assets	2,328	1,213	4,656	2,426
Restructuring and related charges	816	-	816	2,731
Loss on lease termination	-	1,175	-	1,175
Change in fair value of contingent consideration	(355)	-	(848)	-
Acquisition-related expenses	-	90	-	90
Non-GAAP net income	$ 15,564	$ 10,659	$ 29,210	$ 23,178
Reconciliation of Non-GAAP net income per share				
Net loss per share attributable to common shareholders, basic and diluted	$ (0.05)	$ (0.21)	$ (0.16)	$ (0.40)
Stock-based compensation expense	0.27	0.35	0.57	0.69
Amortization of acquired intangible assets	0.04	0.02	0.08	0.04
Restructuring and related charges	0.01	-	0.01	0.05
Loss on lease termination	-	0.02	-	0.02
Change in fair value of contingent consideration	(0.01)	-	(0.01)	-
Acquisition-related expenses	-	-	-	-
Non-GAAP net income per share	$ 0.26	$ 0.18	$ 0.49	$ 0.40
Reconciliation of Non-GAAP free cash flow				
Net cash provided by operating activities	$ 8,468	$ 5,090	$ 33,684	$ 23,194
Expenditures for property and equipment	(621)	(908)	(1,720)	(2,265)
Interest paid on credit facility	494	338	1,123	822
Payments related to restructuring charges	-	697	-	2,946
Non-GAAP free cash flow	$ 8,341	$ 5,217	$ 33,087	$ 24,697

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Investor Presentation 2QFY26

Disclaimer

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "explore," "future," "intend," "long-term operating model," "may," "medium to longer term goals," "might," "outlook," "plan," "potential," "predict," "project," "should," "strategy," "target," "will," "would," or the negative of these terms, and similar expressions intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. These statements may relate to our market size and growth strategy, our estimated and projected costs, margins, revenue, expenditures and customer and financial growth rates, our Q3 2026 and full-year 2026 financial outlook and performance against our multi-year financial framework, our medium to longer term goals, our plans and objectives for future operations, growth, initiatives or strategies, including our investments in research and development, our workforce reduction plan approved in July 2026, and share repurchases and other statements that are not historical facts. By their nature, these statements are subject to numerous uncertainties and risks, including factors beyond our control, that could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the forward-looking statements. These assumptions, uncertainties and risks include that, among others: our workforce reduction plan may not achieve the anticipated benefits and could adversely affect our business, we may not be able to sustain our revenue and customer growth rate in the future, including due to risks associated with our strategic focus on midmarket and enterprise customers; price increases have negatively impacted and pricing and packaging changes may in the future negatively impact demand for our products, customer acquisition and retention and reduce the total number of customers or customer additions; our business would be harmed by any significant interruptions, delays or outages in services from our platform, our API providers, or certain social media platforms, or if we are unable to renew agreements governing access to the data provided by such APIs on terms acceptable to us or at all; if we are unable to attract potential customers through unpaid channels, or other sources of demand, including expansion opportunities from existing customers and outbound sales efforts, or convert prospective customers and expansion opportunities into paid subscriptions, our business and results of operations may be adversely affected; technological advances in AI may in the future disrupt the social media industry, which could significantly reduce the demand for our services or otherwise adversely impact our business or reputation if we are unable to keep pace and navigate this evolving environment; we may be unable to successfully enter new markets, manage our international expansion and comply with any applicable international laws and regulations; we may be unable to integrate acquired businesses or technologies successfully or achieve the expected benefits of such acquisitions and investments; unstable market, economic, and geopolitical conditions, such as recession risks, effects of inflation, tariffs and trade tensions, changes in government spending, labor shortages, supply chain issues, geopolitical instability and uncertainty, and fluctuating interest rates have and could continue to adversely impact our business and that of our existing and prospective customers, which may result in reduced demand for our products; we may not be able to generate sufficient cash to service our indebtedness; covenants in our credit agreement may restrict our operations, and if we do not effectively manage our business to comply with these covenants, our financial condition could be adversely impacted; any cybersecurity-related attack, significant data breach or disruption of the information technology systems or networks on which we rely could negatively affect our business; changing regulations relating to privacy, information security and data protection could increase our costs, affect or limit how we collect and use personal information and harm our brand; and risks related to ongoing legal proceedings. Additional risks and uncertainties that could cause actual outcomes and results to differ materially from those contemplated by the forward-looking statements are included under the caption "Risk Factors" and elsewhere in our filings with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 27, 2026 and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 to be filed with the SEC, as well as any subsequent reports that we file with the SEC. Moreover, you should interpret many of the risks identified in those reports as being heightened as a result of the current and ongoing instability in market, economic and geopolitical conditions. Forward-looking statements speak only as of the date the statements are made and are based on information available to Sprout Social at the time those statements are made and/or management's good faith belief as of that time with respect to future events. Sprout Social assumes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made, except as required by law. Cautionary statements made in this presentation, including those referencing risk factors in our SEC filings, also qualify any forward-looking statements made orally by our officers or other authorized persons in connection with this presentation.

Use of Non-GAAP Financial Measures

We have provided in this presentation certain financial information that has not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). Our management uses these non-GAAP financial measures internally in analyzing our financial results and believes that these non-GAAP financial measures are useful to investors as additional tools to evaluate ongoing operating results and trends and in comparing our financial results with other companies in our industry, many of which present similar non-GAAP financial measures. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable financial measures prepared in accordance with GAAP and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. Our non-GAAP financial measures may differ from similarly titled measures presented by other companies and therefore may not be comparable. A reconciliation of our historical non-GAAP financial measures to the most directly comparable GAAP measures has been provided in the financial statement tables included at the end of this presentation, and investors are encouraged to review these reconciliations. The Company cannot provide reconciliations between its forecasted non-GAAP measures and the most directly comparable GAAP measures without unreasonable effort due to the unavailability of reliable estimates for certain items. These items include, but are not limited to, stock-based compensation expense, acquisition-related costs, amortization of acquired intangible assets, and restructuring charges, including costs associated with the Company's July 2026 workforce reduction plan. These items are not within the Company's control, may vary significantly between periods, and could have a material impact on future financial results presented in accordance with GAAP.

Customer Metrics and Market Data

This presentation includes useful customer metrics and other data, which are defined at the back of this presentation. Unless otherwise noted, information in this presentation concerning our industry, including industry statistics and forecasts, competitive position and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data, and our experience in, and knowledge of, such industry and markets, which we believe to be reasonable. Projections, forecasts, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors. We have not independently verified the accuracy or completeness of the information provided by independent industry and research organizations, other third-parties or other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that information nor do we undertake to update such information after the date of this presentation.

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2Q FY2026 Results

Tens of Thousands

Customers in 100+ countries

15%
ACV Growth

11%
Revenue Growth

98%
Subscription Revenue

78%
Gross Profit

*All financial metrics are as of or for the quarter ended 6/30/26. Revenue and ACV growth represents year-over-year growth of Q2 2026 over Q2 2025.

FY2026+ Growth and Profitability Plan

Customer Segment Plans

$30K ARR and Above
Continue Investments in R&D & GTM
Expand Customer Share of Wallet

Below $30K ARR
New Packaging and Product Approach
Utilize AI & Automation to
Improve LTV to CAC

Rule of 40 Target

30% By 4Q 2027

Continued Focus on Growth Opportunities

Opportunities To Drive Incremental Operating Leverage

See appendix for definition of 30% Rule of 40 target.

Q2 FY2026 Financial Overview

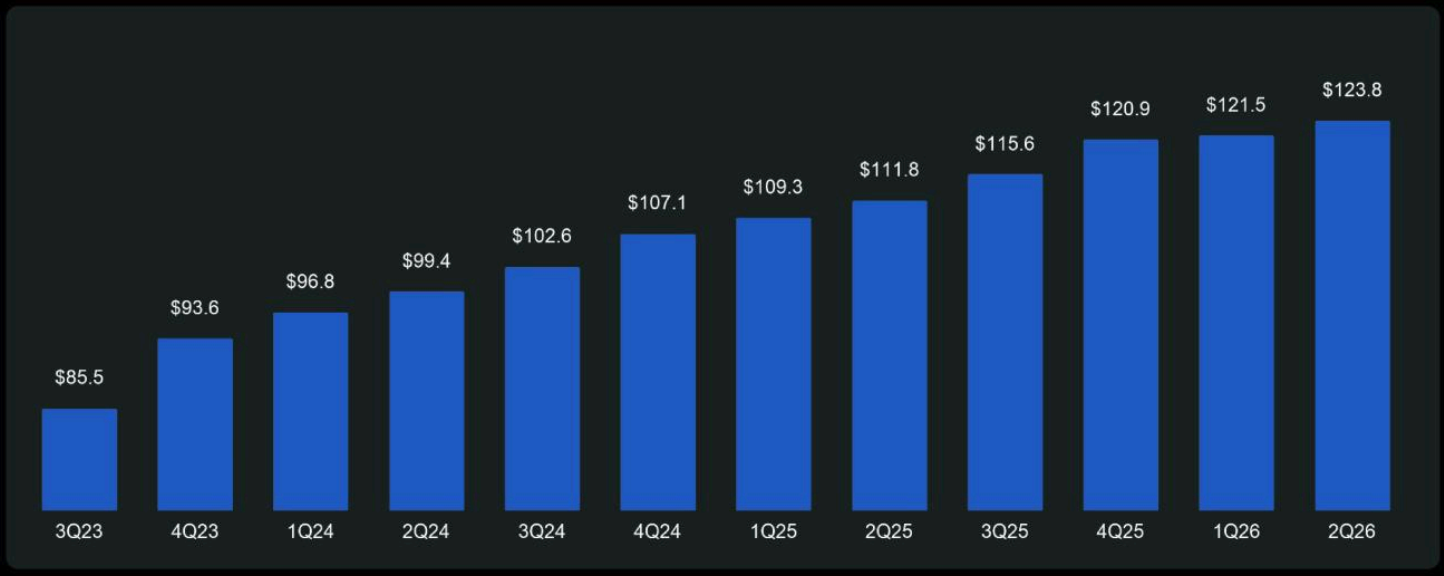
	Q2 FY2026	Q2 FY2025
Total Revenue	$123.8M	$111.8M
Customers Contributing ≥$30k in ARR	3,926	3,538
Customers Contributing ≥$50k in ARR	2,127	1,826
Average Contract Value (ACV)	$17,584	$15,321
RPO	$400.8M	$347.0M
cRPO	$282.7M	$251.6M
Non-GAAP Gross Margin	79%	79%
Non-GAAP Operating Margin	13%	9%
Non-GAAP FCF Margin	7%	5%

See appendix for definitions of the metrics included on this slide. Non-GAAP Gross Margin, Non-GAAP Operating Margin and Non-GAAP FCF Margin are Non-GAAP financial metrics. See appendix for definitions of these Non-GAAP measures and reconciliations of these measures to their closest comparable GAAP measure.

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Revenue

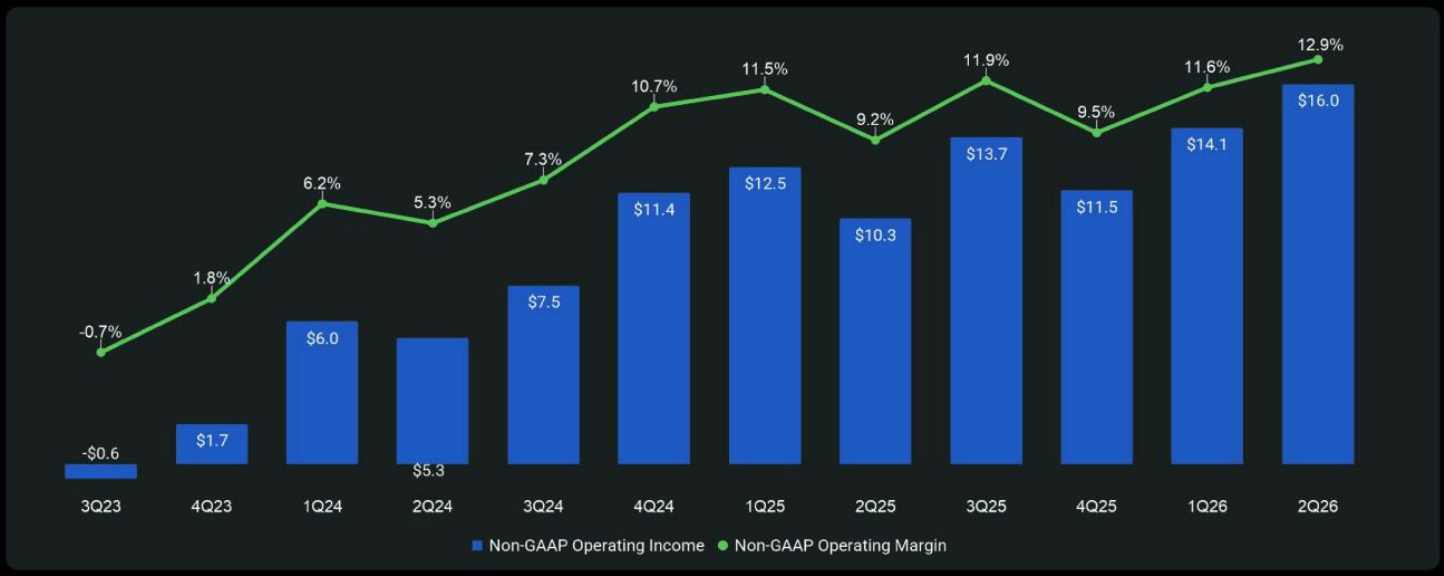
($ Millions)



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Non-GAAP Operating Income (Loss)

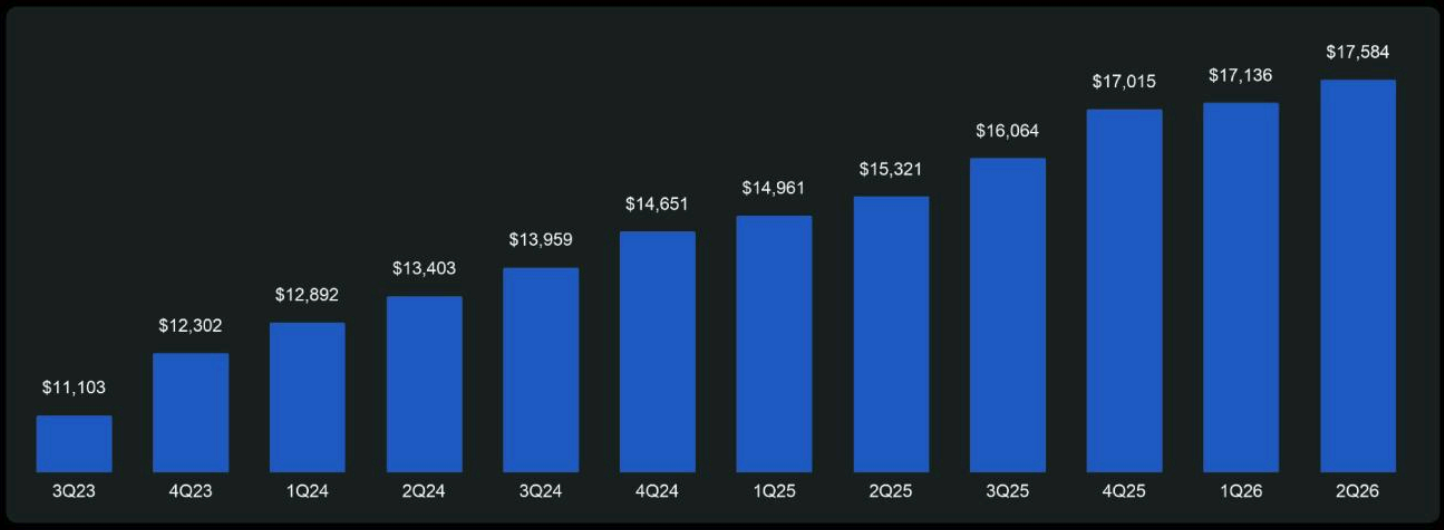
($ Millions)



Non-GAAP Operating Income and Non-GAAP Operating Margin are Non-GAAP financial metrics. See appendix for definitions of these Non-GAAP measures and reconciliations of these measures to their closest comparable GAAP measures

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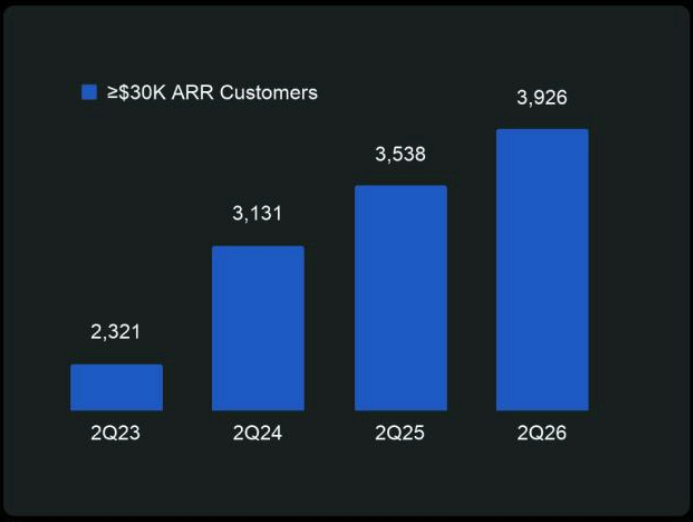
Average Contract Value (ACV)

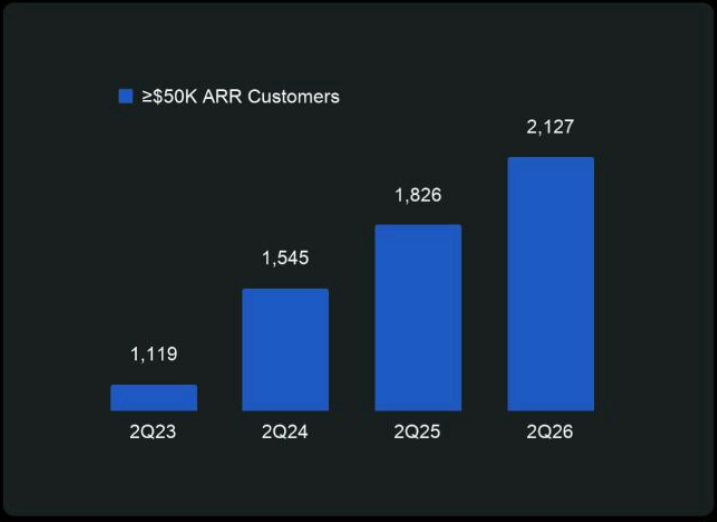


See appendix for a definition of ACV

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Broadening Customer Adoption





Recent Customer Highlights

salesforce · CINTAS READY FOR THE WORKDAY · MillerKnoll · CHURCH & DWIGHT CO., INC. · WILEY · CoreWeave · REGAL

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LAND Customer Story

Customer: Multinational Manufacturer & Distributor

Products

- Premium Analytics
- Listening
- Employee Advocacy
- Influencer Marketing
- NewsWhip
- Premier Success

Use cases

Marketing, Influencer, Crisis Monitoring

Benefits

- Unified social operations
- Real-time global listening
- AI-driven influencer marketing
- Amplified employee advocacy
- Proactive crisis detection
- Enterprise-grade strategic security

Why Sprout?

Sprout enables this company to:

- Orchestrate a global social operation with **125+ users**, managing brand conversations across markets through automated workflows and unified case management.
- Listen at scale with **social listening** to track brand sentiment, product launches, and competitive dynamics across their industry in real time.
- Activate influencer partnerships through **Sprout's influencer marketing platform**, streamlining creator discovery, campaign logistics, and ROI measurement.
- Safeguard brand reputation with **NewsWhip,** monitoring breaking news and social signals to protect brand equity during critical moments.

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LAND Customer Story

Customer: North-American Audio & Media Publisher

Products

- Listening
- Premium Analytics
- Guardian
- NewsWhip
- Influencer Marketing
- Premier Success

Use cases

Marketing, Influencer, Crisis Monitoring

Benefits

- Intuitive enterprise platform consolidation
- Comprehensive social listening
- Predictive Media Insights for Editorial Team
- High performance enterprise reporting
- Unified creator & artist management and reporting
- Executive aligned ROI modeling

Why Sprout?

Sprout enables this company to:

- **Standardize and scale social operations across 850+ brand channels** enabling high-volume editorial publishing with enterprise governance and efficiency
- **Unlock social intelligence & predictive media insights to help** through real time trends, emerging conversations and fan sentiment
- **Create new monetization opportunities** by equipping sales and marketing teams with richer audience, creator and content insights to build more valuable advertising sponsorship, and branded partnership offerings.
- **Consolidate 3+ point solutions into a single enterprise platform, unifying editorial, social and events teams,** streamlining workflows, improving collaboration, and reducing technology complexity.

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EXPAND Customer Story

Customer: Fortune 50 Financial Services Company

Products

- Service Cloud
- Guardian

Use cases

Marketing, Care

Benefits

- Seamless Salesforce integration
- Financial services regulatory compliance
- AI-powered customer case routing
- Enriched social data
- Real-time brand protection
- Scalable enterprise agent workflow

Why Sprout?

Sprout enables this company to:

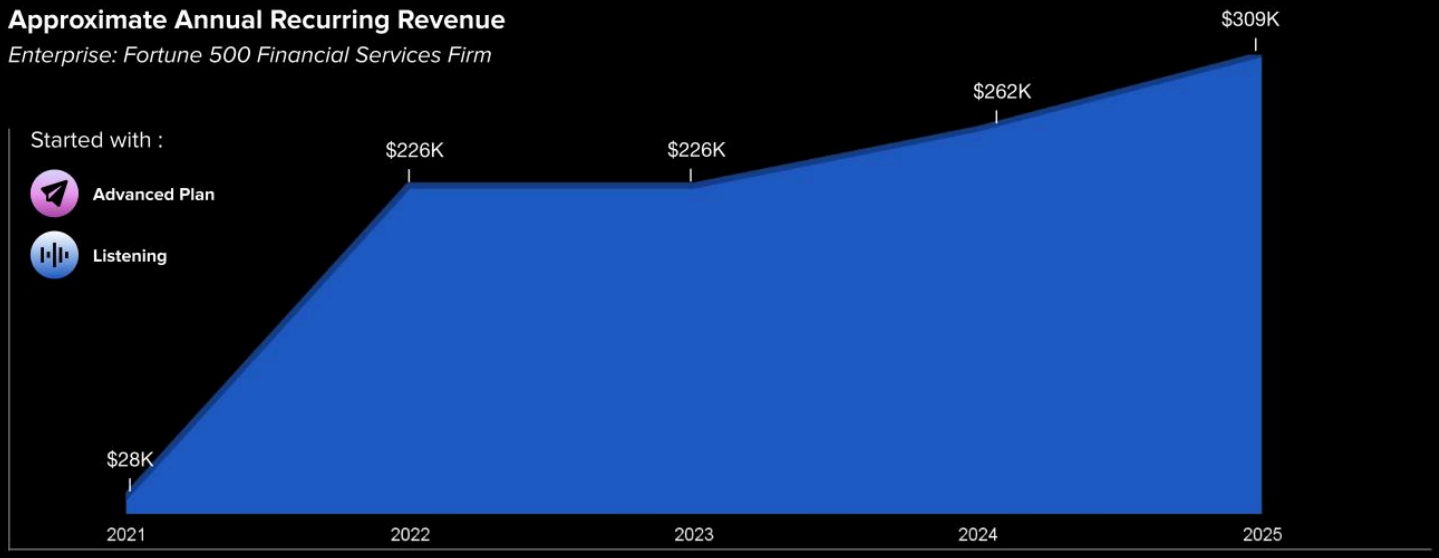
- Deliver omni-channel social customer care by automatically routing social inquiries directly into their existing Salesforce environment, reducing response times and risk of missed client messages
- Protect brand reputation with **Guardian**, monitoring social channels for compliance risks, regulatory concerns, and brand mentions in real time.
- Scale **customer support operations** with one hundred Service Cloud users, enabling efficient case routing, response management, and agent productivity at enterprise volume.
- Enrich client profiles with social data, connecting social interactions to **Salesforce 360** for a holistic view of client sentiment and engagement.

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Customer Adoption Journey

Approximate Annual Recurring Revenue

Enterprise: Fortune 500 Financial Services Firm



- Premium Analytics
- Premier Success
- Additional users
- Additional profiles
- Employee Advocacy
- Additional Users
- Service Cloud
- Additional users

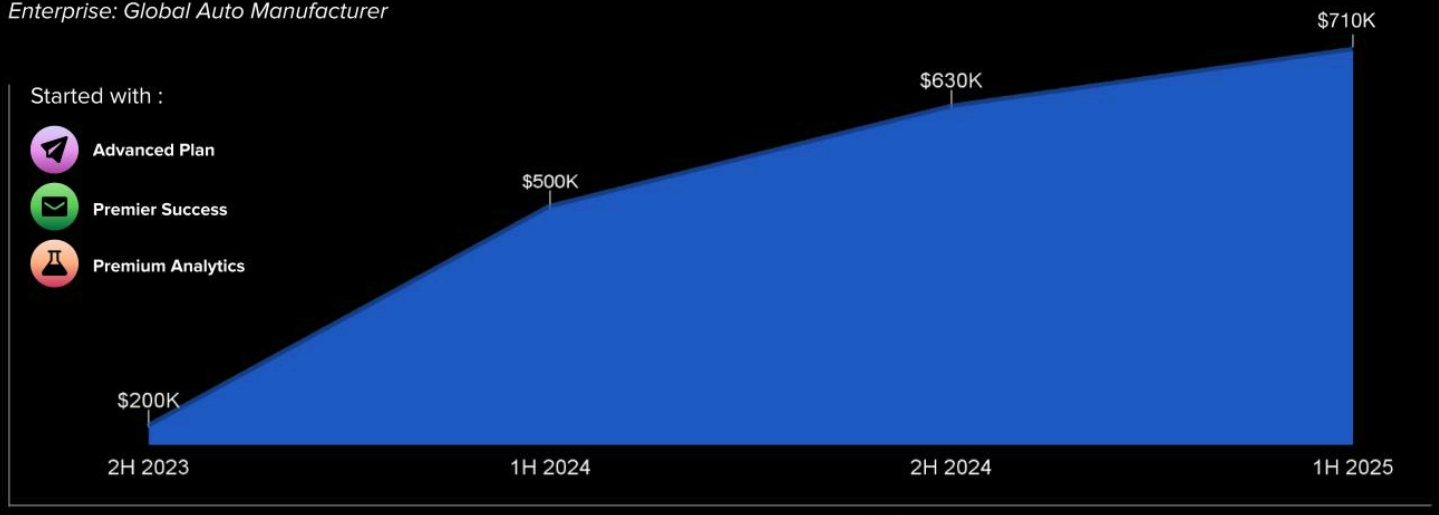
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Annual Recurring Revenue: We define ARR as the annualized revenue run-rate of subscription agreements as of the last date of the specified period. ARR at time of first contract was $28K.

Customer Adoption Journey

Approximate Annual Recurring Revenue

Enterprise: Global Auto Manufacturer



- Employee Advocacy
  - Additional users
- Listening
  - Additional users
  - New geography
- Service Cloud
  - Additional users
- Influencer Marketing
  - Additional users

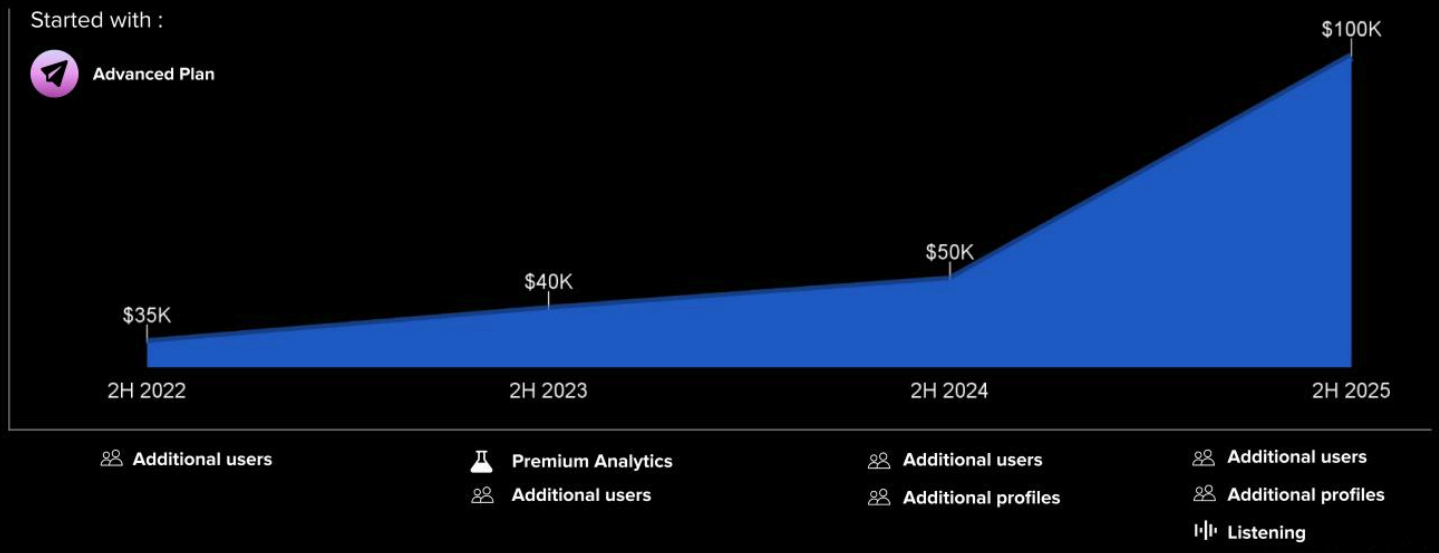
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Annual Recurring Revenue: We define ARR as the annualized revenue run-rate of subscription agreements as of the last date of the specified period. ARR at time of first contract was $130K.

Customer Adoption Journey

Approximate Annual Recurring Revenue

Midmarket: Consumer Pet Company

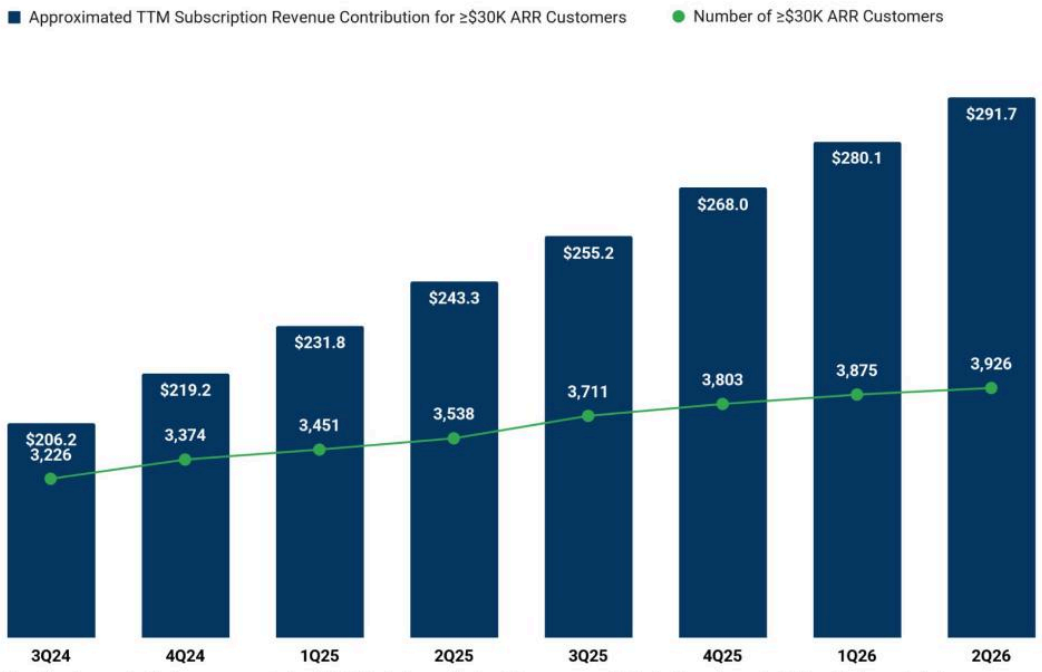


Annual Recurring Revenue: We define ARR as the annualized revenue run-rate of subscription agreements as of the last date of the specified period. ARR at time of first contract was $30K.

Guidance

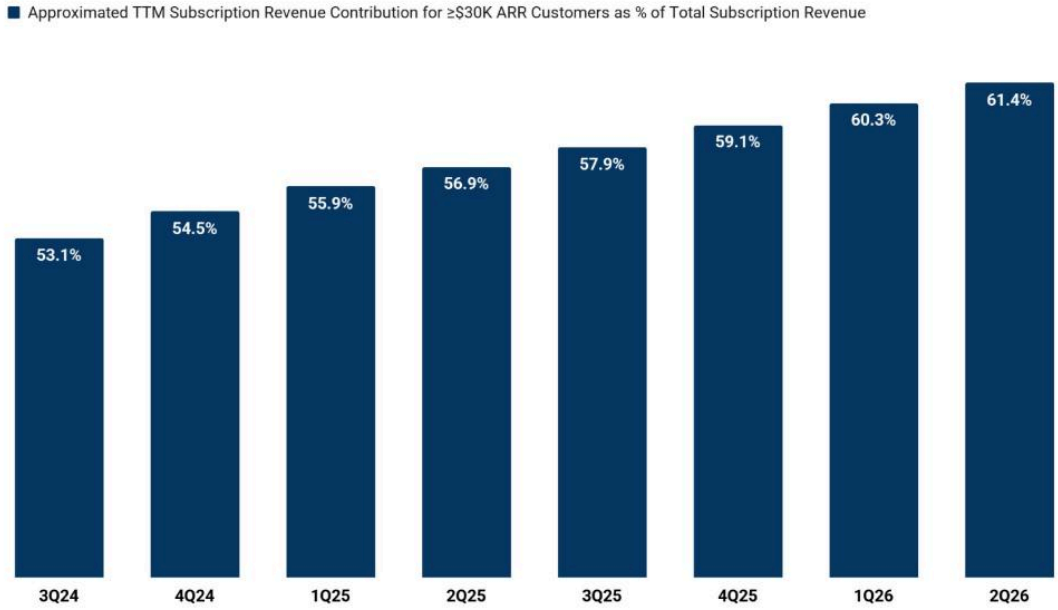
(Millions, except EPS)	3Q FY2026	FY2026
Total Revenue	$123.3M - $124.1M	$493.0M - $495.6M
Non-GAAP Operating Income	$17.5M - $18.3M	$68.3M - $70.3M
Non-GAAP Net Income Per Share	$0.29 - $0.30	$1.11 - $1.15
Weighted average shares of common stock outstanding	60.7M	60.6M

Approximated TTM Subscription Revenue Contribution for ≥$30K ARR Customers



We use Approximated TTM Subscription Revenue Contribution as an approximation of the trailing twelve month subscription revenue contribution for this customer cohort. This metric does not reflect the actual revenue contribution for this customer cohort and should not be viewed as a substitute for revenue or any other financial measure presented in accordance with GAAP. See the appendix for a full definition for this metric.

Approximated TTM Subscription Revenue Contribution for ≥$30K ARR Customers as % of Total Subscription Revenue



We use Approximated TTM Subscription Revenue Contribution as an approximation of the trailing twelve month subscription revenue contribution for this customer cohort. This metric does not reflect the actual revenue contribution for this customer cohort and should not be viewed as a substitute for revenue or any other financial measure presented in accordance with GAAP. See the appendix for a full definition for this metric.

Growth strategy

Win the enterprise

Driving increased pipeline creation and strategic logo wins in accounts over $50K in ARR.

Customer Health & Adoption

Increasing our focus on customer health and driving improved onboarding and adoption behaviors.

Partnerships & Ecosystem

Continued partnering with companies like AWS and Salesforce who are able to bring Sprout into larger, strategic accounts.

Improved Account Penetration

Accessing additional budgets within existing accounts with premium modules and professional services.

Investment Highlights

- Empowering businesses to operationalize social
- Recurring SaaS model (99% subscription)
- Disruptive product led model and fast time to value
- Durable moats and barriers to entry
- Social system of record, intelligence and action
- Experienced leadership team
- Highly scalable single code base
- Large and rapidly growing TAM

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Driven by a *world-class* executive leadership team



Ryan Barretto
CEO



Aaron Rankin
CTO



Crystal Boysen
CPO, People



Heidi Jonas
General Counsel



Scott Morris
CMO



Srinivas Somayajula
CPO, Product



Lori Jiménez
CRO



Colleen Geiselhart
SVP, Customer Experience

Team background:

Adobe Google

salesforce INTUIT mailchimp

Canva ORACLE

zendesk vimeo

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Long Term Operating Model

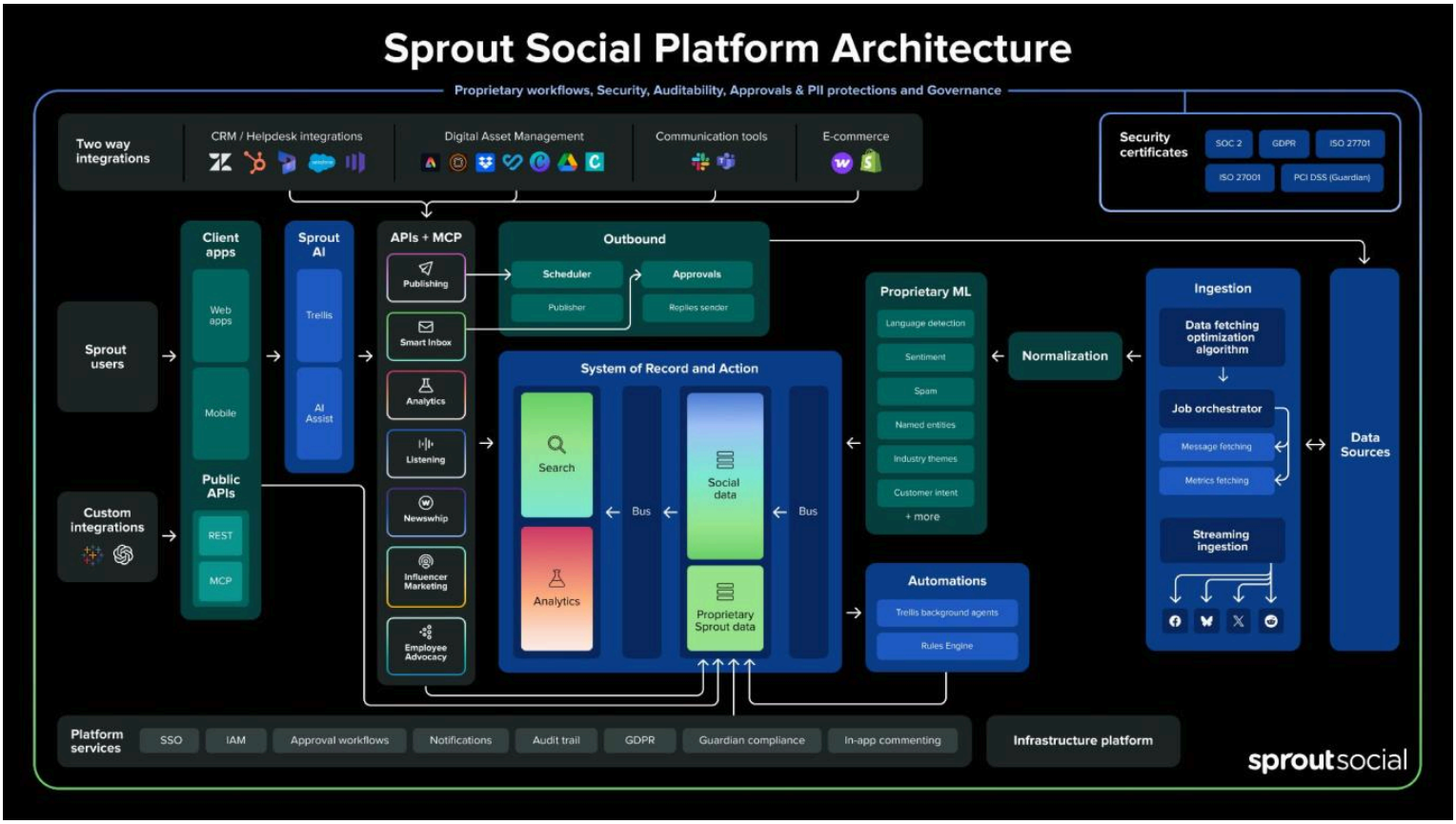
	2023	2024	2025	2Q26	Medium to Longer Term Goals
Revenue Growth	31%	22%	13%	**11%**	>$1B
Non-GAAP Gross Margin	78%	79%	79%	**79%**	>80%
Non-GAAP Operating Margin	1%	7%	11%	**13%**	>20%
Non-GAAP FCF Margin	3%	7%	10%	**7%**	20-22%

Chart displays year over year growth. Non-GAAP Gross Margin, Non-GAAP Operating Margin and Non-GAAP FCF Margin are Non-GAAP financial metrics. See appendix for definitions of these Non-GAAP measures and reconciliations of these measures to their closest comparable GAAP measure.

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Sprout System of Record and Action


Sprout Social Platform Architecture
Proprietary workflows, Security, Auditability, Approvals & PII protections and Governance
Two way integrations
CRM / Helpdesk integrations
Digital Asset Management
Communication tools
E-commerce
Security certificates
SOC 2
GDPR
ISO 27701
ISO 27001
PCI DSS (Guardian)
Sprout users
Client apps
Web apps
Mobile
Public APIs
REST
MCP
Custom integrations
Sprout AI
Trellis
AI Assist
APIs + MCP
Publishing
Smart Inbox
Analytics
Listening
Newswhip
Influencer Marketing
Employee Advocacy
Outbound
Scheduler
Approvals
Publisher
Replies sender
System of Record and Action
Search
Analytics
Bus
Social data
Proprietary Sprout data
Proprietary ML
Language detection
Sentiment
Spam
Named entities
Industry themes
Customer intent
+ more
Normalization
Automations
Trellis background agents
Rules Engine
Ingestion
Data fetching optimization algorithm
Job orchestrator
Message fetching
Metrics fetching
Streaming ingestion
Data Sources
Platform services
SSO
IAM
Approval workflows
Notifications
Audit trail
GDPR
Guardian compliance
In-app commenting
Infrastructure platform
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Appendix

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Sprout Social, Inc.

Summary and Reconciliation of Non-GAAP Financial Measures (Unaudited) ***(in thousands, except per share data)***

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended 6/30,	
	2026	2025
Reconciliation of Non-GAAP operating income		
Loss from operations	$ (2,669)	$ (12,315)
Stock-based compensation expense	$ 15,864	$ 20,166
Amortization of acquired intangible assets	$ 2,328	$ 1,213
Restructuring and related charges	$ 816	-
Loss on lease termination	-	$ 1,175
Change in fair value of contingent consideration	$ (355)	-
Acquisition-related expenses	-	$ 90
Non-GAAP operating income	$ 15,984	$ 10,329
Reconciliation of Non-GAAP net income		
Net loss	$ (3,089)	$ (11,985)
Stock-based compensation expense	$ 15,864	$ 20,166
Amortization of acquired intangible assets	$ 2,328	$ 1,213
Restructuring and related charges	$ 816	-
Loss on lease termination	-	$ 1,175
Change in fair value of contingent consideration	$ (355)	-
Acquisition-related expenses	-	$ 90
Non-GAAP net income	$ 15,564	$ 10,659

	Three Months Ended 6/30,	
	2026	2025
Reconciliation of Non-GAAP net income per share		
Net loss per share attributable to common shareholders, basic and diluted	$ (0.05)	$ (0.21)
Stock-based compensation expense	$ 0.27	$ 0.35
Amortization of acquired intangible assets	$ 0.04	$ 0.02
Restructuring and related charges	$ 0.01	-
Loss on lease termination	-	$ 0.02
Change in fair value of contingent consideration	$ (0.01)	-
Acquisition-related expenses	-	-
Non-GAAP net income per share	$ 0.26	$ 0.18

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Sprout Social, Inc.

Summary and Reconciliation of Non-GAAP Financial Measures (Unaudited) ***(in thousands, except per share data)***

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended 6/30,	
	2026	**2025**
Reconciliation of Non-GAAP free cash flow		
Net cash provided by operating activities	$ 8,468	$ 5,090
Expenditures for property and equipment	$ (621)	$ (908)
Interest paid on credit facility	$ 494	$ 338
Payments related to restructuring charges	-	$ 697
Non-GAAP free cash flow	$ 8,341	$ 5,217

Summary of Non-GAAP Financial Measures

	Three Months Ended 6/30,	
	2026	**2025**
Non-GAAP operating income	$ 15,984	$ 10,329
Non-GAAP net income	$ 15,564	$ 10,659
Non-GAAP net income per share	$ 0.26	$ 0.18
Non-GAAP free cash flow	$ 8,341	$ 5,217

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Sprout Social, Inc.
Summary and Reconciliation of Non-GAAP Financial Measures (Unaudited)
(in thousands)

	FY 2023		FY 2024		FY 2025		Three Months Ended June 30, 2025		Three Months Ended June 30, 2026	
	$	% of Revenues	$	% of Revenues	$	% of Revenues	$	% of Revenues	$	% of Revenues
Gross Margin										
Gross profit	257,375	77.1%	314,433	77.5%	354,852	77.6%	86,844	77.7%	96,088	77.6%
Stock-based compensation expense	3,224	1.0%	3,936	1.0%	2,802	0.6%	684	0.6%	555	0.4%
Amortization of acquired developed technology	1,175	0.4%	2,820	0.7%	3,520	0.8%	705	0.6%	1,125	0.9%
Restructuring and related charges	-		62	0.0%	416	0.1%	-		-	
Non-GAAP gross profit	261,774	78.5%	321,251	79.1%	361,590	79.0%	88,233	78.9%	97,768	78.9%
Operating Margin										
Loss from operations	(69,277)	-21%	(60,356)	-15%	(43,453)	-9%	(12,315)	-11%	(2,669)	-2%
Stock-based compensation expense	67,704	20%	84,303	21%	78,719	17%	20,166	18%	15,864	13%
Acquisition-related expenses	4,272	1%	-		1,805	0%	90	0%	-	
Amortization of acquired intangible assets	2,022	1%	4,851	1%	6,711	1%	1,213	1%	2,328	2%
Restructuring and related charges	-		3,020	1%	2,731	1%	-		816	1%
(Gain)/Loss on lease modification and termination	-		(1,570)	0%	1,175	0%	1,175	1%	-	
Change in fair value of contingent consideration	-		-		423	0%	-		(355)	0%
Non-GAAP operating income (loss)	4,721	1%	30,248	7%	48,111	11%	10,329	9%	15,984	13%
Non-GAAP Free Cash Flow Margin										
Net cash provided by operating activities	6,456	2%	26,321	6%	43,427	9%	5,090	5%	8,468	7%
Expenditures for property and equipment	(2,073)	-1%	(2,950)	-1%	(4,106)	-1%	(908)	-1%	(621)	-1%
Acquisition-related costs	4,272	1%	-		1,759	0%	-		-	
Interest paid on credit facility	1,588	0%	3,635	1%	1,889	0%	338	0%	494	0%
Payments related to restructuring charges	-		2,682	1%	2,946	1%	697	1%	-	
Non-GAAP free cash flow	10,243	3%	29,688	7%	45,915	10%	5,217	5%	8,341	7%

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Sprout Social, Inc.
Summary and Reconciliation of Non-GAAP Financial Measure (Unaudited)
Operating Income (Loss)

($ in millions)	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26	Q2-26
Loss from operations	$ (13.3)	$ (16.5)	$ (16.9)	$ (13.7)	$ (11.2)	$ (12.3)	$ (9.1)	$ (10.8)	$ (5.8)	$ (2.7)
Stock-based compensation expense	18.1	20.6	23.2	22.5	19.8	20.2	19.0	19.7	18.1	15.9
Acquisition-related expenses	-	-	-	-	-	0.1	1.7	-	-	-
Amortization of acquired intangible assets	1.2	1.2	1.2	1.2	1.2	1.2	1.9	2.3	2.3	2.3
Restructuring and related charges	-	-	-	3.0	2.7	-	-	-	-	0.8
(Gain)/Loss on lease modification and termination	-	-	-	(1.6)	-	1.1	-	-	-	-
Change in fair value of contingent consideration	-	-	-	-	-	-	0.2	0.3	(0.5)	(0.3)
Non-GAAP operating income (loss)	$ 6.0	$ 5.3	$ 7.5	$ 11.4	$ 12.5	$ 10.3	$ 13.7	$ 11.5	$ 14.1	$ 16.0
GAAP operating margin	-13.7%	-16.6%	-16.4%	-12.8%	-10.2%	-11.0%	-7.9%	-9.0%	-4.8%	-2.2%
Non-GAAP operating margin	6.2%	5.3%	7.3%	10.7%	11.5%	9.2%	11.9%	9.5%	11.6%	12.9%

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30% target for a Rule of 40. We define this target as year-over-year revenue growth plus current quarter non-GAAP operating margin equal to 30%.

Annual Recurring Revenue (ARR). We define ARR as the annualized revenue run-rate of subscription agreements from all customers as of the last date of the specified period.

Approximated TTM Subscription Revenue Contribution for ≥$30K ARR Customers. This metric depicts our approximation of the trailing twelve month subscription revenue contribution from customers contributing $30,000 or more in ARR. We calculate this metric by averaging the ARR of these customers as of the end of the applicable quarter and the immediately preceding quarter and dividing by four to derive a quarterly revenue contribution estimate for this customer cohort. This quarterly estimate is then summed over the preceding four quarters to approximate a trailing twelve month revenue contribution for this customer cohort, subject to minor adjustments for rounding.

We believe that customers contributing $30,000 or more in ARR represent those customers that can benefit the most from our platform given their more sophisticated needs for social media management software as compared to customers below this spending threshold. We believe this metric is useful in measuring our success in serving this particular customer cohort. This metric does not reflect the actual revenue contribution by these customers over the trailing twelve month period, and should not be viewed in isolation as a substitute for revenue or any of our other financial measures presented in accordance with GAAP. We use this metric to approximate revenue contribution over a specified period because the historical data and account mapping is not available to present the actual revenue generated by this cohort of customers over a historical period.

We no longer believe that the number of customers contributing $10,000 or more in ARR is a key performance indicator of Sprout Social's business due to our evolving customer mix and we will no longer publicly disclose that metric. We believe that customers contributing $30,000 or more in ARR and approximated TTM subscription revenue contribution from customers contributing $30,000 or more in ARR are stronger indicators of Sprout Social's performance in its target customer segments.

Average Contract Value (ACV). We define ACV as the ending period total ARR divided by the ending period total customer count.

Non-GAAP gross profit. We define non-GAAP gross profit as GAAP gross profit, excluding stock-based compensation expense, amortization expense associated with the acquired developed technology from the Tagger Media, Inc. ("Tagger") and NewsWhip Group Holdings Limited ("NewsWhip") acquisitions, and restructuring and related charges. We believe non-GAAP gross profit provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as it eliminates the effect of stock-based compensation, amortization expense and restructuring and related charges, which are often unrelated to overall operating performance.

Non-GAAP gross margin. We define non-GAAP gross margin as non-GAAP gross profit as a percentage of revenue.

Non-GAAP operating income (loss). We define non-GAAP operating income (loss) as GAAP loss from operations, excluding stock-based compensation expense, acquisition-related expenses, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration. We believe non-GAAP operating income (loss) provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as this non-GAAP financial measure eliminates the effect of stock-based compensation, acquisition-related expenses, amortization expense, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration, which are often unrelated to overall operating performance.

Non-GAAP operating margin. We define non-GAAP operating margin as non-GAAP operating income (loss) as a percentage of revenue.

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Non-GAAP net income (loss). We define non-GAAP net income (loss) as GAAP net loss, excluding stock-based compensation expense, acquisition-related expenses, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration. We believe non-GAAP net income (loss) provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as this non-GAAP financial measure eliminates the effect of stock-based compensation, acquisition-related expenses, amortization expense, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration, which are often unrelated to overall operating performance.

Non-GAAP net income (loss) per share. We define non-GAAP net income (loss) per share as GAAP net loss per share attributable to common shareholders, basic and diluted, excluding stock-based compensation expense, acquisition-related expenses, amortization expense associated with the acquired intangible assets from the Tagger and NewsWhip acquisitions, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration. We believe non-GAAP net income (loss) per share provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as this non-GAAP financial measure eliminates the effect of stock-based compensation, acquisition-related expenses, amortization expense, restructuring and related charges, non-cash (gains)/losses from lease modifications and terminations and changes in the fair value of contingent consideration, which are often unrelated to overall operating performance.

Non-GAAP free cash flow. We define non-GAAP free cash flow as net cash provided by operating activities less expenditures for property and equipment, plus acquisition-related costs, interest payments on our revolving credit facility and payments related to restructuring charges. Non-GAAP free cash flow does not reflect our future contractual obligations or represent the total increase or decrease in our cash balance for a given period. We believe non-GAAP free cash flow is a useful indicator of liquidity that provides information to management and investors about the amount of cash provided by our core operations that, after expenditures for property and equipment, acquisition-related costs, interest and payments related to restructuring charges, is available for strategic initiatives.

Non-GAAP free cash flow margin (Non-GAAP FCF Margin). We define non-GAAP free cash flow margin as non-GAAP free cash flow as a percentage of revenue.

Number of customers contributing $30,000 or more in ARR. We define number of customers contributing $30,000 or more in ARR as those on a paid subscription plan that had $30,000 or more in ARR as of a period end. We view the number of customers that contribute $30,000 or more in ARR as a measure of our ability to scale with our customers and attract larger organizations. We believe this represents potential for future growth, including expanding within our current customer base.

Number of customers contributing $50,000 or more in ARR. We define number of customers contributing $50,000 or more in ARR as those on a paid subscription plan that had $50,000 or more in ARR as of a period end. We view the number of customers that contribute $50,000 or more in ARR as a measure of our ability to scale with large customers and attract sophisticated organizations. We believe this represents potential for future growth, including expanding within our current customer base.

Remaining performance obligations ("RPO"). RPO, or remaining performance obligations, represents contracted revenue that has not yet been recognized, and includes deferred revenue and amounts that will be invoiced and recognized in future periods.

Current remaining performance obligations ("cRPO"). cRPO, or current RPO, represents contracted revenue that has not yet been recognized, and includes deferred revenue and amounts that will be invoiced and recognized in the next 12 months.

For purposes of the above metrics, we define a customer as a unique account, multiple accounts containing a common non-personal email domain, or multiple accounts governed by a single agreement or entity.