Ooma, Inc. - Key Metrics (unaudited)

	3QF24	2QF24	1QF24	4QF23	3QF23
Core Users - thousands [1]	1,241	1,237	1,225	1,210	1,202
Premium core users - thousands [2]	787	779	762	742	729
Premium users as a % of core users	63%	63%	62%	61%	61%
Annualized exit recurring revenue (AERR) - millions [3]	$225	$215	$210	$207	$204
Average revenue per user (ARPU) [4]	$14.63	$14.51	$14.28	$14.24	$14.16
Annual net dollar subscription retention rate (NDRR) [5, 7]	99%	99%	99%	99%	99%
Annual net dollar subscription retention rate as reported prior to fiscal year 2024 [5, 7]	NA	NA	NA	94%	95%
Organic subscription service revenue growth rates (yr./yr.) [6]					
Business	14%	13%	15%	16%	16%
Residential	0%	0%	2%	2%	3%
Combined	8%	7%	9%	9%	10%

1. Core user metrics include Ooma Business user externsions and residential customers. Talkatone users and 2600Hz users are not included, since Talkatone is not a subscription business and 2600Hz is a wholesale business. Ooma Business user revenue includes that of Ooma Office, Ooma Enterprise and OnSIP.

2. Premium end users are subscribers to core Ooma Business, Ooma Premier residential service and other premium services.

3. Annualized exit recurring recurring revenue (AERR) is the most recent quarter annualized subscription and service revenue of Ooma Business, 2600Hz and Ooma residential services. Talkatone revenue is not included in AERR because it is not a subscription-based recurring revenue business. 2600Hz is included in AERR beginning in 3QF24, when it was acquired. AERR is calculated by multiplying average revenue per user or ARPU for a quarter by the number of users at the end of that quarter, and then the resulting value is multiplied by twelve to annualize it.

4. Average revenue per end user (ARPU) is a per-month value and represents a weighted-average mix of Business and Residential ARPU based on the number of users for respective category at the end of that quarter. ARPU is calculated by dividing respective core subscription and services revenue for a quarter by the average number of core users during that quarter, and the resulting value is divided by 3. Talkatone is excluded from ARPU because it is not a subscription-based recurring revenue business. 2600Hz is excluded from the ARPU we report because it is a wholesale business and we do not report its number of users.

5. Effective in the first quarter of Fiscal 2024, we transitioned to a new calculation methodology for our net dollar subscription retention rate ("NDRR") for user revenue. With the majority of our subscription revenue now generated from core Ooma Business customers, we believe the updated methodology better reflects our operational performance during the reporting period and is more in alignment with the reporting of our industry peers. As with ARPU, and for similar reasons, data for 2600Hz and Talkatone are not included in the NDRR calculations.

Prior to the current fiscal year, we calculated the NDRR as a function of the year-over-year growth in average revenue per user and churn. Under the new methodology, we define our NDRR as (i) one plus (ii) the quotient of Net Dollar Change divided by Average Monthly Recurring Subscription Revenue. We define Net Dollar Change as the quotient of (i) the difference of our Monthly Recurring Subscription Revenue at the end of a period minus our Monthly Recurring Subscription Revenue at the beginning of a period minus our Monthly Recurring Subscription Revenue at the end of the period from new customers we added during the period, all divided by (ii) the number of months in the period. We define our Average Monthly Recurring Subscription Revenue as the average of the Monthly Recurring Subscription Revenue at the beginning and end of the measurement period.

The new NDRR calculation methodology is mathematically described as follows:

Monthly recurring subscription revenue at the end of a period = S_e

Monthly recurring subscription revenue at the beginning of a period = S_b

Monthly recurring subscription revenue from customers added during the period = S_a

Months in the period: M_p

$NDRR = 1 + [((S_e - S_b - S_a)/M_p)/((S_e + S_b)/2)]$

6. Growth of subscription and services revenue includes Ooma Business and residential subscription and services revenue; it excludes 2600Hz and Talkatone.

7. Prior to fiscal year 2024, annual net dollar retention rate was calculated as the percentage year-over-year change in our AERR per user, which was then multiplied by the percentage of users retained during the same period.