



JFrog Announces Second Quarter 2024 Results

- *Total Revenues of \$103.0 million; up 22% Year-over-Year*
- *Cloud Revenues up 42% Year-over-Year*
- *Customers with ARR Greater than \$1 million equaled 42, up 75% Year-over-Year*
- *Enterprise+ Subscription Revenues Equaled \$51 million; up 35% Year-over-Year*
- *Partnership with GitHub offering a unified best of breed Platform experience*
- *Acquired Qwak AI; Expanding the JFrog Platform to include MLOps*

Sunnyvale, Calif., August 7, 2024 -- [JFrog Ltd.](#) ("JFrog") (Nasdaq: FROG), the Liquid Software company and creators of the [JFrog Software Supply Chain Platform](#), today announced financial results for its second quarter ended June 30, 2024.

"We are on a mission to revolutionize the software industry with a unified platform that encompasses EveryOps and streamlines the software supply chain flow," said Shlomi Ben Haim, Co-founder and CEO of JFrog. "With the innovative power of our Qwak AI acquisition, JFrog proudly stands as the first to support DevOps, Security, and MLOps in a single platform. We are committed to providing a solution that fosters seamless collaboration among machines, developers, and data scientists," Ben Haim added.

Second Quarter 2024 Financial Highlights

- Revenue for the second quarter of 2024 equaled \$103.0 million, up 22% year-over-year.
- GAAP Gross Profit was \$81.2 million; GAAP Gross Margin was 78.8%.
- Non-GAAP Gross Profit was \$86.9 million; Non-GAAP Gross Margin was 84.4%.
- GAAP Operating Loss was (\$19.1) million; GAAP Operating Margin was (18.6%).
- Non-GAAP Operating Income was \$13.6 million; Non-GAAP Operating Margin was 13.2%.
- GAAP Net Loss Per Share was (\$0.13); Non-GAAP Diluted Earnings Per Share was \$0.15.
- Operating Cash Flow was \$16.7 million; Free Cash Flow of \$16.0 million.
- Cash, Cash Equivalents and Investments were \$591.3 million as of June 30, 2024.
- Remaining performance obligations were \$272.0 million as of June 30, 2024.

Recent Business & Product Highlights

- Cloud revenue equaled \$39.3 million during the second quarter of 2024, an increase of 42% year-over-year. Cloud revenue represented 38% of total revenue, compared to 33% in the year-ago period.
- Net Dollar Retention rate for the trailing four quarters was 118%.

- Customers with greater than \$100K ARR increased to 928, compared with 813 in the year-ago period.
- Customers with greater than \$1 million ARR increased to 42, up from 24 in the year-ago period.
- Customers adopting the end-to-end JFrog Platform Enterprise+ subscription represented 50% of total revenue during the second quarter of 2024 versus 45% in the year-ago period.
- Announced GitHub and JFrog Platform integrations bringing seamless navigation between source code and binaries.
- Announced the acquisition of Qwak MLOps platform and intent to integrate into the JFrog Platform.

Third Quarter and Fiscal Year 2024 Outlook

- Third Quarter 2024 Outlook:
 - Revenue between \$105 million and \$106 million
 - Non-GAAP operating income between \$10 million and \$11 million
 - Non-GAAP net income per diluted share between \$0.09 and \$0.11, assuming approximately 115 million weighted average diluted shares outstanding
- Fiscal Year 2024 Outlook:
 - Revenue between \$422 million to \$424 million
 - Non-GAAP operating income between \$52 million and \$54 million
 - Non-GAAP net income per diluted share between \$0.54 and \$0.56, assuming approximately 116 million weighted average diluted shares outstanding

The section titled "Non-GAAP Financial Information" below describes our usage of non-GAAP financial measures. Reconciliations between historical GAAP and non-GAAP information are contained at the end of this press release following the accompanying financial data.

Conference Call Details

- Event: JFrog's Second Quarter 2024 Financial Results Conference Call
- Date: Wednesday, August 7, 2024
- Time: 2:00 p.m. PT (5:00 p.m. ET)

A live webcast of the conference call will be accessible from the investor relations website at <https://investors.jfrog.com/events-and-presentations>.

About JFrog

JFrog Ltd. (Nasdaq: FROG), is on a mission to create a world of software delivered without friction from developer to device. Driven by a "Liquid Software" vision, the JFrog Software Supply Chain Platform is a single system of record that powers organizations to build, manage, and distribute software quickly and securely, ensuring it is available, traceable, and tamper-proof. The integrated security features also help identify, protect, and remediate against threats and vulnerabilities.

JFrog's hybrid, universal, multi-cloud platform is available as both self-hosted and SaaS services across major cloud service providers. Millions of users and 7K+ customers worldwide, including a majority of the Fortune 100, depend on JFrog solutions to securely embrace digital transformation. Learn more at www.jfrog.com or follow us on X @JFrog.

Forward-Looking Statements:

This press release and the earnings call referencing this press release contain “forward-looking” statements, as that term is defined under the U.S. federal securities laws, including but not limited to statements regarding JFrog’s future financial performance, including our outlook for the third quarter and for the full year of 2024, expectations regarding the market and revenue potential for JFrog Artifactory, JFrog Xray, JFrog Curation and JFrog Advanced Security, including the efficacy and benefit of integrating of any of the foregoing with other products and platform, our expectations regarding the mission-critical nature of the “JFrog Software Supply Chain Platform” to our customers’ infrastructure and its growth potential, the growth potential of our cloud business, including hybrid and multi-cloud, our expectations regarding potential for growth in binary management within MLOps/MLSecOps, our ability to provide effective tools and solutions to detect and remediate security vulnerabilities, the ability of our strategic sales team to grow the business across top-tier accounts, our ability to expand usage of our platform in the government and commercial sectors, our ability to contribute data to global security standards bodies, our ability to innovate and meet market demands and the software supply chain needs of our customers and our expectations regarding the acquisition of Qwak AI by us, including our ability to successfully integrate the acquisition into our business operations, including the DevOps platform, and realize anticipated benefits and synergies from the proposed acquisition. These forward-looking statements are based on JFrog’s current assumptions, expectations and beliefs and are subject to substantial risks, uncertainties, assumptions and changes in circumstances that may cause JFrog’s actual results, performance or achievements to differ materially from those expressed or implied in any forward-looking statement.

There are a significant number of factors that could cause actual results to differ materially from statements made in this press release and our earnings call, including but not limited to: risks associated with managing our rapid growth; our history of losses; our limited operating history; our ability to retain and upgrade existing customers our ability to attract new customers; our ability to effectively develop and expand our sales and marketing capabilities; our ability to integrate and realize anticipated synergies from acquisitions of complementary businesses; risk of a security breach incident or product vulnerability; risk of interruptions or performance problems associated with our products and platform capabilities; our ability to adapt and respond to rapidly changing technology or customer needs; our ability to compete in the markets in which we participate; our ability to successfully integrate technology from acquisitions into our offerings; our ability to provide continuity to our respective customers and realize innovation following our acquisitions; and general market, political, economic, and business conditions. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to, risks detailed in our filings with the Securities and

Exchange Commission, including in our annual report on Form 10-K for the year ended December 31, 2023, our quarterly report on Form 10-Q for the quarter ended March 31, 2024, and other filings and reports that we may file from time to time with the Securities and Exchange Commission. Forward-looking statements represent our beliefs and assumptions only as of the date of this press release. We disclaim any obligation to update forward-looking statements.

About Non-GAAP Financial Measures:

JFrog discloses the following non-GAAP financial measures in this release and the earnings call referencing this press release: non-GAAP operating income (loss), non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses (research and development, sales and marketing, general and administrative), non-GAAP operating margin, non-GAAP net income (loss), non-GAAP net income (loss) per diluted share, non-GAAP net income (loss) per basic share, and free cash flow. JFrog uses each of these non-GAAP financial measures internally to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, for short- and long-term operating plans, and to evaluate JFrog's financial performance. JFrog believes they are useful to investors, as a supplement to GAAP measures, in evaluating its operational performance, as further discussed below. JFrog's non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in its industry, as other companies in its industry may calculate non-GAAP financial results differently, particularly related to non-recurring and unusual items. In addition, there are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies and exclude expenses that may have a material impact on JFrog's reported financial results.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. A reconciliation of the historical non-GAAP financial measures to their most directly comparable GAAP measures has been provided in the financial statement tables included below in this press release. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, reconciling items that may be incurred in the future such as share-based compensation, the effect of which may be significant.

JFrog defines non-GAAP gross profit, non-GAAP operating expenses (research and development, sales and marketing, general and administrative), non-GAAP gross margin, non-GAAP operating margin, non-GAAP operating income (loss) and non-GAAP net income (loss) as the respective GAAP balances, adjusted for, as applicable: (1) share-based compensation expense; (2) the amortization of acquired intangibles; (3) acquisition-related costs; and (4) income tax effects. JFrog defines free cash flow as Net cash provided by (used in) operating activities, minus capital expenditures. Investors are encouraged to review the reconciliation of these historical non-GAAP financial measures to their most directly comparable GAAP financial measures.

Management believes these non-GAAP financial measures are useful to investors and others in assessing JFrog's operating performance due to the following factors:

Share-based compensation. JFrog utilizes share-based compensation to attract and retain employees. It is principally aimed at aligning their interests with those of its shareholders and at long-term retention, rather than to address operational performance for any particular period. As a result, share-based compensation expenses vary for reasons that are generally unrelated to financial and operational performance in any particular period.

Amortization of acquired intangibles. JFrog views amortization of acquired intangible assets as items arising from pre-acquisition activities determined at the time of an acquisition. While these intangible assets are evaluated for impairment regularly, amortization of the cost of acquired intangibles is an expense that is not typically affected by operations during any particular period.

Acquisition-related costs. Acquisition-related costs include expenses related to acquisitions of other companies. JFrog views acquisition-related costs as expenses that are not necessarily reflective of operational performance during a period.

Income tax effects. JFrog's non-GAAP financial results are adjusted for income tax effects related to these non-GAAP adjustments and changes in our assessment regarding the realizability of our deferred tax assets, if any. Excluding income tax effects of non-GAAP adjustments provides a more accurate view of JFrog's operating results.

Non-GAAP weighted average share count. Diluted GAAP and non-GAAP weighted-average shares are the same, except in periods that there is a GAAP loss and a non-GAAP income. The non-GAAP weighted-average shares used to compute the non-GAAP net income per share - diluted are adjusted to reflect dilution equal to the dilutive impact had there been GAAP income.

Additionally, JFrog's management believes that the non-GAAP financial measure, free cash flow, is meaningful to investors because management reviews cash flows generated from operations after taking into consideration capital expenditures due to the fact that these expenditures are considered to be a necessary component of ongoing operations.

Operating Metrics

JFrog's number of customers with annual recurring revenue ("ARR") of \$100,000 or more is based on the ARR of each customer, as of the last month of the quarter. JFrog's number of customers with ARR of \$1 million or more is based on the ARR of each customer, as of the last month of the quarter. JFrog defines ARR as the annualized revenue run-rate of subscription agreements from all customers as of the last month of the quarter. The ARR includes monthly subscription customers, so long as JFrog generates revenue from these customers. JFrog annualizes its monthly subscriptions by taking the revenue it would contractually expect to receive from such customers in a given month and multiplying it by 12.

JFrog's net dollar retention rate compares its ARR from the same set of customers across comparable periods. JFrog calculates net dollar retention rate by first identifying customers (the "Base Customers"), which were customers in the last month of a particular quarter (the "Base Quarter"). JFrog then calculates the contracted ARR from these Base Customers in the last month of the same quarter of the subsequent year (the "Comparison Quarter"). This calculation captures upsells, contraction, and attrition since the Base Quarter. JFrog then divides total Comparison Quarter ARR by total Base Quarter ARR for Base Customers. JFrog's net dollar retention rate in a particular quarter is obtained by averaging the result from that particular quarter with the corresponding results from each of the prior three quarters.

Investor Contact:

Jeff Schreiner

jeffs@jfrog.com

JFROG LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data; unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue:				
Subscription—self-managed and SaaS	\$ 98,404	\$ 79,467	\$ 193,810	\$ 154,010
License—self-managed	4,639	4,703	9,544	9,980
Total subscription revenue	103,043	84,170	203,354	163,990
Cost of revenue:				
Subscription—self-managed and SaaS ⁽¹⁾⁽²⁾⁽³⁾	21,748	18,231	42,207	36,434
License—self-managed ⁽³⁾	145	218	290	436
Total cost of revenue—subscription	21,893	18,449	42,497	36,870
Gross profit	81,150	65,721	160,857	127,120
Operating expenses:				
Research and development ⁽¹⁾⁽²⁾	37,117	33,544	72,949	68,430
Sales and marketing ⁽¹⁾⁽²⁾⁽³⁾	45,896	36,352	89,467	71,838
General and administrative ⁽¹⁾⁽²⁾	17,264	14,732	34,204	28,972
Total operating expenses	100,277	84,628	196,620	169,240
Operating loss	(19,127)	(18,907)	(35,763)	(42,120)
Interest and other income, net	6,898	4,896	13,985	8,888
Loss before income taxes	(12,229)	(14,011)	(21,778)	(33,232)
Income tax expense	2,074	1,456	1,315	3,044
Net loss	\$ (14,303)	\$ (15,467)	\$ (23,093)	\$ (36,276)
Net loss per share, basic and diluted	\$ (0.13)	\$ (0.15)	\$ (0.21)	\$ (0.36)
Weighted-average shares used in computing net loss per share, basic and diluted	108,945	102,513	107,985	101,890

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

Cost of revenue: subscription—self-managed and SaaS	\$ 3,247	\$ 2,019	\$ 6,339	\$ 4,215
Research and development	10,175	7,798	19,842	14,970
Sales and marketing	10,440	6,740	20,253	13,213
General and administrative	4,794	4,765	9,508	8,836
Total share-based compensation expense	\$ 28,656	\$ 21,322	\$ 55,942	\$ 41,234

(2) Includes acquisition-related costs as follows:

Cost of revenue: subscription—self-managed and SaaS	\$ 4	\$ 5	\$ 8	\$ 10
Research and development	489	2,745	977	5,680
Sales and marketing	32	—	64	70
General and administrative	674	64	676	140
Total acquisition-related costs	\$ 1,199	\$ 2,814	\$ 1,725	\$ 5,900

(3) Includes amortization of acquired intangibles as follows:

Cost of revenue: subscription—self-managed and SaaS	\$ 2,386	\$ 2,387	\$ 4,772	\$ 4,774
Cost of revenue: license—self-managed	145	218	290	436
Sales and marketing	358	358	716	716
Total amortization expense of acquired intangible assets	\$ 2,889	\$ 2,963	\$ 5,778	\$ 5,926

JFROG LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands; unaudited)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 218,303	\$ 84,765
Short-term investments	373,013	460,245
Accounts receivable, net	82,041	76,437
Deferred contract acquisition costs	12,662	11,378
Prepaid expenses and other current assets	17,169	12,976
Total current assets	<u>703,188</u>	<u>645,801</u>
Property and equipment, net	6,529	6,663
Deferred contract acquisition costs, noncurrent	18,316	18,032
Operating lease right-of-use assets	18,372	22,427
Intangible assets, net	19,990	25,768
Goodwill	247,955	247,955
Other assets, noncurrent	6,793	5,910
Total assets	<u>\$ 1,021,143</u>	<u>\$ 972,556</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 16,222	\$ 16,970
Accrued expenses and other current liabilities	39,958	35,815
Operating lease liabilities	8,109	8,272
Deferred revenue	205,501	201,118
Total current liabilities	<u>269,790</u>	<u>262,175</u>
Deferred revenue, noncurrent	15,822	12,987
Operating lease liabilities, noncurrent	9,651	13,954
Other liabilities, noncurrent	4,447	4,317
Total liabilities	<u>299,710</u>	<u>293,433</u>
Shareholders' equity:		
Share capital	308	297
Additional paid-in capital	1,036,377	968,245
Accumulated other comprehensive income (loss)	(1,727)	1,013
Accumulated deficit	(313,525)	(290,432)
Total shareholders' equity	<u>721,433</u>	<u>679,123</u>
Total liabilities and shareholders' equity	<u>\$ 1,021,143</u>	<u>\$ 972,556</u>

JFROG LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands; unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:				
Net loss	\$ (14,303)	\$ (15,467)	\$ (23,093)	\$ (36,276)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation and amortization	3,826	3,828	7,625	7,675
Share-based compensation expense	28,656	21,322	55,942	41,234
Non-cash operating lease expense	2,115	2,123	4,219	4,145
Net amortization of premium or discount on investments	(1,738)	(1,582)	(3,746)	(2,870)
Losses (gains) on foreign exchange	101	(224)	354	(591)
Changes in operating assets and liabilities:				
Accounts receivable	(15,336)	617	(5,555)	(221)
Prepaid expenses and other assets	(986)	1,153	(5,018)	(1,961)
Deferred contract acquisition costs	(1,382)	(801)	(1,568)	(1,594)
Accounts payable	1,579	(827)	(937)	(1,913)
Accrued expenses and other liabilities	6,105	2,620	2,892	3,030
Operating lease liabilities	(2,051)	(2,033)	(4,167)	(3,770)
Deferred revenue	10,111	5,981	7,218	8,693
Net cash provided by operating activities	<u>16,697</u>	<u>16,710</u>	<u>34,166</u>	<u>15,581</u>
Cash flows from investing activities:				
Purchases of short-term investments	(91,240)	(81,356)	(255,943)	(204,572)
Maturities and sales of short-term investments	227,160	68,845	345,783	183,171
Purchases of property and equipment	(732)	(507)	(1,573)	(773)
Net cash provided by (used in) investing activities	<u>135,188</u>	<u>(13,018)</u>	<u>88,267</u>	<u>(22,174)</u>
Cash flows from financing activities:				
Proceeds from exercise of share options	861	2,211	7,707	3,367
Proceeds from employee share purchase plan	—	—	4,494	3,499
Proceeds from employee equity transactions, net of payments to tax authorities	(5,534)	520	(279)	817
Net cash provided by (used in) financing activities	<u>(4,673)</u>	<u>2,731</u>	<u>11,922</u>	<u>7,683</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(294)	(75)	(817)	9
Net increase in cash, cash equivalents, and restricted cash	146,918	6,348	133,538	1,099
Cash, cash equivalents, and restricted cash—beginning of period	71,397	40,358	84,777	45,607
Cash, cash equivalents, and restricted cash—end of period	<u>\$ 218,315</u>	<u>\$ 46,706</u>	<u>\$ 218,315</u>	<u>\$ 46,706</u>
Reconciliation of cash, cash equivalents, and restricted cash within the Condensed Consolidated Balance Sheets to the amounts shown in the Condensed Consolidated Statements of Cash Flows above:				
Cash and cash equivalents	\$ 218,303	\$ 46,694	\$ 218,303	\$ 46,694
Restricted cash included in prepaid expenses and other current assets	12	12	12	12
Total cash, cash equivalents, and restricted cash	<u>\$ 218,315</u>	<u>\$ 46,706</u>	<u>\$ 218,315</u>	<u>\$ 46,706</u>

JFROG LTD.
RECONCILIATION OF GAAP TO NON-GAAP RESULTS
(in thousands except per share data; unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Reconciliation of gross profit and gross margin</u>				
GAAP gross profit	\$ 81,150	\$ 65,721	\$ 160,857	\$ 127,120
Plus: Share-based compensation expense	3,247	2,019	6,339	4,215
Plus: Acquisition-related costs	4	5	8	10
Plus: Amortization of acquired intangibles	2,531	2,605	5,062	5,210
Non-GAAP gross profit	<u>\$ 86,932</u>	<u>\$ 70,350</u>	<u>\$ 172,266</u>	<u>\$ 136,555</u>
GAAP gross margin	78.8%	78.1%	79.1%	77.5%
Non-GAAP gross margin	84.4%	83.6%	84.7%	83.3%
<u>Reconciliation of operating expenses</u>				
GAAP research and development	\$ 37,117	\$ 33,544	\$ 72,949	\$ 68,430
Less: Share-based compensation expense	(10,175)	(7,798)	(19,842)	(14,970)
Less: Acquisition-related costs	(489)	(2,745)	(977)	(5,680)
Non-GAAP research and development	<u>\$ 26,453</u>	<u>\$ 23,001</u>	<u>\$ 52,130</u>	<u>\$ 47,780</u>
GAAP sales and marketing	\$ 45,896	\$ 36,352	\$ 89,467	\$ 71,838
Less: Share-based compensation expense	(10,440)	(6,740)	(20,253)	(13,213)
Less: Acquisition-related costs	(32)	—	(64)	(70)
Less: Amortization of acquired intangibles	(358)	(358)	(716)	(716)
Non-GAAP sales and marketing	<u>\$ 35,066</u>	<u>\$ 29,254</u>	<u>\$ 68,434</u>	<u>\$ 57,839</u>
GAAP general and administrative	\$ 17,264	\$ 14,732	\$ 34,204	\$ 28,972
Less: Share-based compensation expense	(4,794)	(4,765)	(9,508)	(8,836)
Less: Acquisition-related costs	(674)	(64)	(676)	(140)
Non-GAAP general and administrative	<u>\$ 11,796</u>	<u>\$ 9,903</u>	<u>\$ 24,020</u>	<u>\$ 19,996</u>
<u>Reconciliation of operating income (loss) and operating margin</u>				
GAAP operating loss	\$ (19,127)	\$ (18,907)	\$ (35,763)	\$ (42,120)
Plus: Share-based compensation expense	28,656	21,322	55,942	41,234
Plus: Acquisition-related costs	1,199	2,814	1,725	5,900
Plus: Amortization of acquired intangibles	2,889	2,963	5,778	5,926
Non-GAAP operating income	<u>\$ 13,617</u>	<u>\$ 8,192</u>	<u>\$ 27,682</u>	<u>\$ 10,940</u>
GAAP operating margin	(18.6)%	(22.5)%	(17.6)%	(25.7)%
Non-GAAP operating margin	13.2%	9.7%	13.6%	6.7%
<u>Reconciliation of net income (loss)</u>				
GAAP net loss	\$ (14,303)	\$ (15,467)	\$ (23,093)	\$ (36,276)
Plus: Share-based compensation expense	28,656	21,322	55,942	41,234
Plus: Acquisition-related costs	1,199	2,814	1,725	5,900
Plus: Amortization of acquired intangibles	2,889	2,963	5,778	5,926
Less: Income tax effects	(980)	460	(4,918)	1,238
Non-GAAP net income	<u>\$ 17,461</u>	<u>\$ 12,092</u>	<u>\$ 35,434</u>	<u>\$ 18,022</u>
Net income per share - basic	<u>\$ 0.16</u>	<u>\$ 0.12</u>	<u>\$ 0.33</u>	<u>\$ 0.18</u>
Net income per share - diluted	<u>\$ 0.15</u>	<u>\$ 0.11</u>	<u>\$ 0.31</u>	<u>\$ 0.17</u>
Shares used in non-GAAP net income per share calculations:				
GAAP weighted-average shares used to compute net loss per share - basic and diluted	108,945	102,513	107,985	101,890
Add: Dilutive ordinary share equivalents	6,249	5,580	6,915	5,589
Non-GAAP weighted-average shares used to compute net income per share - diluted	<u>115,194</u>	<u>108,093</u>	<u>114,900</u>	<u>107,479</u>

JFROG LTD.
RECONCILIATION OF GAAP CASH FLOW FROM OPERATING ACTIVITIES TO FREE CASH FLOW
(in thousands; unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net cash provided by operating activities	\$ 16,697	\$ 16,710	\$ 34,166	\$ 15,581
Less: purchases of property and equipment	(732)	(507)	(1,573)	(773)
Free cash flow	<u>\$ 15,965</u>	<u>\$ 16,203</u>	<u>\$ 32,593</u>	<u>\$ 14,808</u>