

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended **June 30, 2025**
- OR**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

CCC INTELLIGENT SOLUTIONS HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

001-39447
(Commission
File Number)

98-1546280
(IRS Employer
Identification No.)

167 N. Green Street, 9th Floor
Chicago, Illinois
(Address Of Principal Executive Offices)

60607
(Zip Code)

(800) 621-8070

Registrant's telephone number, including area code
Not Applicable

(Former name or former address, if changed since last report)

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 24, 2025, 649,943,555 shares of common stock, \$0.0001 par value per share, were issued and outstanding.

CCC INTELLIGENT SOLUTIONS HOLDINGS INC.
Form 10-Q
For the Quarter Ended June 30, 2025
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FORWARD-LOOKING STATEMENTS

The section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" as well as other parts of this Quarterly Report on Form 10-Q contain "forward-looking statements" for purposes of the federal securities laws. Our forward-looking statements include, but are not limited to, statements regarding our or our management team's expectations, hopes, beliefs, intentions or strategies regarding the future, including those relating to the future financial performance and business strategies and expectations for our business. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "will," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements may include information concerning our possible or assumed future results of operations, client demand, business strategies, technology developments, financing and investment plans, competitive position, our industry and regulatory environment, potential growth opportunities and the effects of competition.

Important factors that could cause actual results to differ materially from our expectations include:

- our revenues, the concentration of our customers and the ability to retain our current customers;
- our ability to negotiate with our customers on favorable terms;
- our ability to maintain and grow our brand and reputation cost-effectively;
- the execution of our growth strategy;
- the impact of public health outbreaks, epidemics or pandemics on our business and results of operations;
- our projected financial information, growth rate and market opportunity;
- the health of our industry, claim volumes, and market conditions;
- changes in the insurance and automotive collision industries, including the adoption of new technologies;
- global economic conditions and geopolitical events, including the imposition of trade tariffs, supply chain disruption and inflationary pressures;
- competition in our market and our ability to retain and grow market share;
- our ability to develop, introduce and market new enhanced versions of our solutions;
- our sales and implementation cycles;
- the ability of our research and development efforts to create significant new revenue streams;
- changes in applicable laws or regulations;
- changes in international economic, political, social and governmental conditions and policies, including corruption risks in China and other countries;
- our reliance on third-party data, technology and intellectual property;
- our ability to protect our intellectual property;
- our ability to keep our data and information systems secure from data security breaches;
- changes in our customers' or the public's perceptions regarding the use of artificial intelligence ("AI");
- our ability to acquire or invest in companies or pursue business partnerships;
- our ability to raise financing in the future and improve our capital structure;
- our success in retaining or recruiting, or changes required in, our officers, key employees or directors;
- our estimates regarding expenses, future revenue, capital requirements and needs for additional financing;
- our ability to expand or maintain our existing customer base; and
- our ability to service our indebtedness.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will

be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described above and under the heading "Risk Factors." Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. There may be additional risks that we consider immaterial or which are unknown. It is not possible to predict or identify all such risks. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements (Unaudited)

CCC INTELLIGENT SOLUTIONS HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	June 30, 2025 (Unaudited)	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 55,053	\$ 398,983
Accounts receivable—Net of allowances of \$4,310 and \$4,692 as of June 30, 2025 and December 31, 2024, respectively	132,450	106,578
Income taxes receivable	35,567	7,743
Deferred contract costs	23,158	22,373
Other current assets	31,477	28,973
Total current assets	277,705	564,650
SOFTWARE, EQUIPMENT, AND PROPERTY—Net	170,341	172,079
OPERATING LEASE ASSETS	37,275	29,762
INTANGIBLE ASSETS—Net	1,056,418	934,278
GOODWILL	1,956,485	1,417,724
DEFERRED FINANCING FEES, REVOLVER—Net	1,551	1,743
DEFERRED CONTRACT COSTS	20,281	18,692
EQUITY METHOD INVESTMENT	10,228	10,228
OTHER ASSETS	35,140	34,062
TOTAL	\$ 3,565,424	\$ 3,183,218
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 17,996	\$ 18,393
Accrued expenses	66,504	72,543
Income taxes payable	80	80
Current portion of long-term debt	10,010	8,000
Current portion of long-term licensing agreement—Net	3,360	3,257
Operating lease liabilities	7,632	7,658
Deferred revenues	71,214	44,915
Note payable to minority investor	23,718	—
Total current liabilities	200,514	154,846
LONG-TERM DEBT—Net	973,298	761,053
DEFERRED INCOME TAXES—Net	161,244	164,844
LONG-TERM LICENSING AGREEMENT—Net	22,728	24,435
OPERATING LEASE LIABILITIES	53,795	47,235
OTHER LIABILITIES	17,495	11,303
Total liabilities	1,429,074	1,163,716
COMMITMENTS AND CONTINGENCIES (Notes 20 and 21)		
MEZZANINE EQUITY:		
Redeemable non-controlling interest	—	21,679
STOCKHOLDERS' EQUITY:		
Preferred stock—\$0.0001 par; 100,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock—\$0.0001 par; 5,000,000,000 shares authorized; 648,994,473 and 629,207,115 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	65	63
Additional paid-in capital	3,409,623	3,094,182
Accumulated deficit	(1,272,181)	(1,095,227)
Accumulated other comprehensive loss	(1,157)	(1,195)
Total stockholders' equity	2,136,350	1,997,823
TOTAL	\$ 3,565,424	\$ 3,183,218

See notes to condensed consolidated financial statements.

CCC INTELLIGENT SOLUTIONS HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(In thousands, except share and per share data)
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
REVENUES	\$ 260,451	\$ 232,618	\$ 512,016	\$ 459,855
COST OF REVENUES				
Cost of revenues, exclusive of amortization of acquired technologies	62,067	53,231	124,271	106,038
Amortization of acquired technologies	4,368	2,090	8,737	8,657
Total cost of revenues	66,435	55,321	133,008	114,695
GROSS PROFIT	194,016	177,297	379,008	345,160
OPERATING EXPENSES:				
Research and development	59,929	49,253	121,692	98,730
Selling and marketing	43,475	36,321	91,772	71,907
General and administrative	47,630	51,268	114,748	108,329
Amortization of intangible assets	18,512	17,942	37,024	35,884
Total operating expenses	169,546	154,784	365,236	314,850
OPERATING INCOME	24,470	22,513	13,772	30,310
INTEREST EXPENSE	(17,836)	(16,602)	(34,763)	(33,054)
INTEREST INCOME	1,220	2,625	3,168	5,092
CHANGE IN FAIR VALUE OF WARRANT LIABILITIES	—	15,963	—	14,378
OTHER (EXPENSE) INCOME—NET	(2,057)	1,253	(7,154)	4,191
PRETAX INCOME (LOSS)	5,797	25,752	(24,977)	20,917
INCOME TAX BENEFIT (PROVISION)	7,163	(4,307)	20,516	(69)
NET INCOME (LOSS) INCLUDING NON-CONTROLLING INTEREST	12,960	21,445	(4,461)	20,848
LESS: ACCRETION OF REDEEMABLE NON-CONTROLLING INTEREST	—	(1,221)	(1,276)	(2,363)
NET INCOME (LOSS) ATTRIBUTABLE TO CCC INTELLIGENT SOLUTIONS HOLDINGS INC. COMMON STOCKHOLDERS	\$ 12,960	\$ 20,224	\$ (5,737)	\$ 18,485
Net income (loss) per share attributable to common stockholders:				
Basic	\$ 0.02	\$ 0.03	\$ (0.01)	\$ 0.03
Diluted	\$ 0.02	\$ 0.03	\$ (0.01)	\$ 0.03
Weighted-average shares used in computing net income (loss) per share attributable to common stockholders:				
Basic	637,578,033	609,997,114	637,207,185	604,138,246
Diluted	660,622,703	638,367,745	637,207,185	636,990,633
COMPREHENSIVE INCOME (LOSS):				
Net income (loss) including non-controlling interest	12,960	21,445	(4,461)	20,848
Other comprehensive (loss) income—Foreign currency translation adjustment	53	(16)	38	(91)
COMPREHENSIVE INCOME (LOSS) INCLUDING NON-CONTROLLING INTEREST	13,013	21,429	(4,423)	20,757
Less: accretion of redeemable non-controlling interest	—	(1,221)	(1,276)	(2,363)
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO CCC INTELLIGENT SOLUTIONS HOLDINGS INC. COMMON STOCKHOLDERS	\$ 13,013	\$ 20,208	\$ (5,699)	\$ 18,394

See notes to condensed consolidated financial statements.

CCC INTELLIGENT SOLUTIONS HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY
(In thousands, except number of shares)
(Unaudited)

	Redeemable Non-Controlling Interest	Preferred Stock— Issued and Outstanding		Common Stock—Issued and Outstanding		Additional Paid-In Capital	Accumulated Deficit	Other Comprehensive Loss	Total Stockholders' Equity
		Number of Shares	Par Value	Number of Shares	Par Value				
BALANCE—December 31, 2024						3,094,182			
	\$ 21,679	—	\$ —	629,207,115	\$ 63	\$ 2	\$ (1,095,227)	\$ (1,195)	\$ 1,997,823
Stock-based compensation expense	—	—	—	—	—	61,048	—	—	61,048
Exercise of stock options	—	—	—	330,413	—	956	—	—	956
Issuance of common stock under employee stock purchase plan	—	—	—	174,906	—	1,650	—	—	1,650
Issuance of common stock upon vesting of RSUs—net of tax	—	—	—	9,095,994	1	(43,472)	—	—	(43,471)
Issuance of restricted stock awards for business acquisition	—	—	—	792,174	—	—	—	—	—
Issuance of common stock for business acquisition ⁽¹⁾	—	—	—	26,035,603	3	250,438	—	—	250,441
Repurchase and retirement of common stock	—	—	—	(7,000,000)	(1)	—	(72,274)	—	(72,275)
Accretion of redeemable non-controlling interest	1,276	—	—	—	—	(1,276)	—	—	(1,276)
Reclassification of redeemable non-controlling interest to note payable to minority investor	(22,955)	—	—	—	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	—	(15)	(15)
Net loss	—	—	—	—	—	—	(17,421)	—	(17,421)
BALANCE—March 31, 2025						3,363,526			
	—	—	—	658,636,205	66	6	(1,184,922)	(1,210)	2,177,460
Stock-based compensation expense	—	—	—	—	—	45,975	—	—	45,975
Exercise of stock options	—	—	—	360,029	—	1,003	—	—	1,003
Issuance of common stock upon vesting of RSUs—net of tax	—	—	—	986,566	—	(881)	—	—	(881)
Repurchase and retirement of common stock	—	—	—	(10,988,327)	(1)	—	(100,219)	—	(100,220)
Foreign currency translation adjustment	—	—	—	—	—	—	—	53	53
Net income	—	—	—	—	—	—	12,960	—	12,960
BALANCE—June 30, 2025						3,409,623			
	\$ —	—	\$ —	648,994,473	\$ 65	3	\$ (1,272,181)	\$ (1,157)	\$ 2,136,350

⁽¹⁾ Issuance of common stock for business acquisition includes 10,356,096 of restricted shares of common stock subject to re-vesting requirements (see Note 17).

See notes to condensed consolidated financial statements.

CCC INTELLIGENT SOLUTIONS HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY
(In thousands, except number of shares)
(Unaudited)

	Redeemable Non-Controlling Interest	Preferred Stock—Issued and Outstanding		Common Stock—Issued and Outstanding		Additional Paid-In Capital	Accumulated		Total Stockholders' Equity
		Number of Shares	Par Value	Number of Shares	Par Value		Accumulated Deficit	Other Comprehensive Loss	
BALANCE—December 31, 2023	\$ 16,584	—	\$ —	603,128,781	\$ 60	\$ 2,909,757	\$ (1,126,467)	\$ (1,073)	\$ 1,782,277
Stock-based compensation expense	—	—	—	—	—	44,971	—	—	44,971
Exercise of stock options	—	—	—	3,346,599	—	8,822	—	—	8,822
Issuance of common stock under employee stock purchase plan	—	—	—	194,307	—	1,833	—	—	1,833
Issuance of common stock upon vesting of RSUs—net of tax	—	—	—	7,588,048	1	(52,581)	—	—	(52,580)
Accretion of redeemable non-controlling interest	1,142	—	—	—	—	(1,142)	—	—	(1,142)
Foreign currency translation adjustment	—	—	—	—	—	—	—	(75)	(75)
Net loss	—	—	—	—	—	—	(597)	—	(597)
BALANCE—March 31, 2024	17,726	—	—	614,257,735	61	\$ 2,911,660	\$ (1,127,064)	(1,148)	1,783,509
Stock-based compensation expense	—	—	—	—	—	40,125	—	—	40,125
Exercise of stock options	—	—	—	4,518,651	1	12,823	—	—	12,824
Issuance of common stock upon vesting of RSUs—net of tax	—	—	—	209,515	—	(142)	—	—	(142)
Warrant redemption	—	—	—	3,809,200	—	37,122	—	—	37,122
Accretion of redeemable non-controlling interest	1,221	—	—	—	—	(1,221)	—	—	(1,221)
Foreign currency translation adjustment	—	—	—	—	—	—	—	(16)	(16)
Net income	—	—	—	—	—	—	21,445	—	21,445
BALANCE—June 30, 2024	\$ 18,947	—	\$ —	622,795,101	\$ 62	\$ 3,000,367	\$ (1,105,619)	\$ (1,164)	\$ 1,893,646

See notes to condensed consolidated financial statements.

CCC INTELLIGENT SOLUTIONS HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)
(Unaudited)

	For the Six Months Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income	\$ (4,461)	\$ 20,848
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization of software, equipment, and property	27,373	19,160
Amortization of intangible assets	45,761	44,541
Deferred income taxes	(20,516)	(24,738)
Stock-based compensation	107,023	85,096
Amortization of deferred financing fees	935	927
Amortization of discount on debt	82	125
Change in fair value of derivative instruments	8,381	134
Change in fair value of warrant liabilities	—	(14,378)
Loss on disposal of software, equipment and property	—	302
Noncash interest expense	763	—
Other	—	68
Changes in:		
Accounts receivable—Net	(25,488)	(18,553)
Deferred contract costs	(785)	(1,527)
Other current assets	2,069	5,860
Deferred contract costs—Non-current	(1,589)	636
Other assets	(1,078)	391
Operating lease assets	1,328	1,152
Income taxes	(27,824)	(5,769)
Accounts payable	(823)	4,633
Accrued expenses	(9,231)	(12,739)
Operating lease liabilities	(2,307)	(2,236)
Deferred revenues	4,838	2,437
Other liabilities	(2,903)	639
Net cash provided by operating activities	<u>101,548</u>	<u>107,009</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of software, equipment, and property	(30,549)	(31,224)
Acquisition of EvolutionIQ, Inc., net of cash acquired	(415,133)	—
Net cash used in investing activities	<u>(445,682)</u>	<u>(31,224)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from exercise of stock options	1,934	21,561
Proceeds from employee stock purchase plan	1,650	1,833
Payments for employee taxes withheld upon vesting of equity awards	(44,352)	(52,722)
Repurchase of common stock	(172,495)	—
Proceeds from issuance of long-term debt	225,000	—
Payments of fees associated with the debt modification	(6,565)	—
Principal payments on long-term debt	(5,005)	(4,000)
Net cash provided by (used in) financing activities	<u>167</u>	<u>(33,328)</u>
NET EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>37</u>	<u>(136)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(343,930)</u>	<u>42,321</u>
CASH AND CASH EQUIVALENTS:		
Beginning of period	398,983	195,572
End of period	<u>\$ 55,053</u>	<u>\$ 237,893</u>
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Stock issued related the acquisition of EvolutionIQ, Inc.	<u>\$ 250,441</u>	<u>\$ —</u>
Issuance of promissory note to minority investor of redeemable preferred securities	<u>\$ 22,955</u>	<u>\$ —</u>
Noncash purchases of software, equipment, and property	<u>\$ —</u>	<u>\$ 7,218</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid for interest	<u>\$ 33,616</u>	<u>\$ 31,739</u>
Cash paid for income taxes—Net	<u>\$ 26,628</u>	<u>\$ 30,567</u>

See notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. ORGANIZATION AND NATURE OF OPERATIONS

CCC Intelligent Solutions Holdings Inc. (the "Company"), a Delaware corporation, is a leading software as a service ("SaaS") platform for the multi-trillion-dollar insurance economy, powering operations for insurers, repairers, automakers, parts suppliers and more. CCC's cloud technology connects businesses digitizing mission-critical workflows, commerce and customer experiences.

The Company's cloud-based SaaS platform connects trading partners, facilitates commerce and supports mission-critical artificial intelligence ("AI") enabled digital workflows.

The Company is headquartered in Chicago, Illinois. The Company's primary operations are in the United States ("US") and it also has operations in China.

The Company was originally incorporated as a Cayman Islands exempted company on July 3, 2020 as a special purpose acquisition company under the name Dragoneer Growth Opportunities Corp ("Dragoneer"). On February 2, 2021, Cypress Holdings Inc., a Delaware corporation, entered into a business combination agreement with Dragoneer. In connection with the closing of the business combination ("Business Combination"), Dragoneer changed its jurisdiction of incorporation by deregistering as an exempted company in the Cayman Islands and continuing and domesticating as a Delaware corporation on July 30, 2021, upon which Dragoneer changed its name to CCC Intelligent Solutions Holdings Inc.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—The condensed consolidated balance sheets as of June 30, 2025 and December 31, 2024, the condensed consolidated statements of operations and comprehensive income (loss) for the three and six months ended June 30, 2025 and 2024, the condensed consolidated statements of mezzanine equity and stockholders' equity for the three and six months ended June 30, 2025 and 2024, and the condensed consolidated statements of cash flows for the six months ended June 30, 2025 and 2024 have been prepared by the Company and have not been audited. In the opinion of management, all adjustments (which include only normal recurring adjustments except where disclosed) necessary for the fair presentation of the financial position, results of operations and cash flows have been made. The results of operations for any interim period are not necessarily indicative of the results to be expected for the full year or any future period.

The accompanying condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Regulation S-X of the Securities and Exchange Commission ("SEC"). The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with GAAP have been condensed or omitted, pursuant to the rules and regulations of the SEC for interim financial reporting. Accordingly, the condensed consolidated financial statements may not include all the information and footnotes necessary for a complete presentation of the Company's financial position, results of operations or cash flows. These condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

The Company's significant accounting policies are described in Note 2, Summary of Significant Accounting Policies, to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to the significant accounting policies since December 31, 2024.

Basis of Accounting—The accompanying condensed consolidated financial statements are prepared in accordance with GAAP and include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The condensed consolidated financial statements include 100% of the accounts of wholly-owned and majority-owned subsidiaries and the ownership interest of the minority investor is recorded as a non-controlling interest in a subsidiary.

Use of Estimates—The preparation of the condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts, and the disclosures of contingent amounts, in the Company's condensed consolidated financial statements and the accompanying notes. Although the Company regularly assesses these estimates, actual results could differ from those estimates. Changes in estimates are recorded in the period in which they become known. The Company bases its estimates on historical experience and various other assumptions that it believes to be reasonable under the circumstances. Actual results could differ from management's estimates if past experience or other assumptions are not substantially accurate. Significant estimates in these condensed consolidated financial statements include the estimation of contract transaction prices, the determination of the amortization period for contract assets, the valuation of goodwill and intangible assets, the valuation of the warrant liabilities, and the estimates and assumptions associated with stock incentive plans.

Recently Issued Accounting Pronouncements—In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. This update requires new disclosures aimed at enhancing transparency in financial reporting by requiring disaggregation of specific expense captions within the statement of operations. Under the update, entities are required to disclose a breakdown of certain expense categories, such as: employee compensation, depreciation, amortization, and other material components. This ASU is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. The Company is evaluating the disclosure requirements related to this update.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This update requires entities to disclose disaggregated information about their effective tax rate reconciliation as well as expanded information on income taxes paid by jurisdiction. The disclosure requirements will be applied on a prospective basis, with the option to apply them retrospectively. The amendments in this update are effective for fiscal years beginning after December 15, 2024. The Company is continuing to evaluate the disclosure requirements but does not believe the adoption of ASU 2023-09 will have a significant impact on its consolidated financial statements.

3. BUSINESS ACQUISITION

On January 6, 2025, the Company completed its acquisition of EvolutionIQ, Inc. ("EvolutionIQ"), a privately held company that provides AI-powered guidance for disability and injury claims management. Leveraging EvolutionIQ's platform, the acquisition will broaden the Company's portfolio of AI-based solutions available to insurance customers.

The Company acquired all the outstanding shares of EvolutionIQ in exchange for total consideration of \$674.3 million upon closing, subject to certain post-closing adjustments. In accordance with the acquisition agreement, the Company placed \$8.9 million in escrow for general indemnity and purchase price adjustment holdbacks to be paid to the sellers within 36 months of closing, subject to reduction for certain indemnifications and other potential obligations of the selling shareholders.

The acquisition date fair value of the consideration transferred consisted of the following (in thousands):

Cash consideration	\$	420,642
Fair value of common stock issued		250,441
Fair value of option holdback		3,184
Total acquisition date fair value of the consideration transferred	\$	<u>674,267</u>

As part of the acquisition, the Company issued 26,035,603 shares of common stock. The number of shares of common stock issued was based on a 9-day volume weighted average price of \$11.83, established prior to the closing date of January 6, 2025. On the date of acquisition, the Company's closing stock price was \$11.41.

Included in the shares of common stock issued are 10,356,096 restricted shares of common stock subject to re-vesting provisions. The restricted shares have a fair value as of the acquisition date of \$118.2 million, of which \$71.5 million is included in the consideration transferred in the table above (see Note 17).

The fair value of the option holdback corresponds to the fair value of certain unvested EvolutionIQ stock options subject to future vesting as of the acquisition date. If the optionholder does not meet the time-based vesting requirement, the corresponding holdback amount will be released to the selling shareholders. If the optionholder does meet the time-based vesting requirement, the optionholder will receive the corresponding holdback amount in shares of CCC common stock, and the holdback cash amount is retained by the Company.

The acquisition of EvolutionIQ was accounted for as a business combination and reflects the application of acquisition accounting in accordance with Accounting Standards Codification ("ASC") 805, *Business Combinations*. The total purchase consideration was allocated to the assets acquired and liabilities assumed based on fair value as of the acquisition date with the excess purchase price assigned to goodwill. Goodwill was primarily attributable to expected synergies from the combined service offerings and the value of the acquired workforce. Goodwill and intangible assets are not deductible for tax purposes.

The Company's estimates of the fair values of the assets acquired and liabilities assumed are based on information available at the date of acquisition. During the measurement period, which may be up to one year from the acquisition date, adjustments may be recorded to the fair values of these tangible and intangible assets acquired and liabilities assumed, including uncertain tax positions and tax-related valuation allowances, with the corresponding offset to goodwill. As of June 30, 2025, there have been no significant changes to the preliminary purchase price allocation.

The following table summarizes the preliminary allocation of the consideration to the fair values of the assets acquired and liabilities assumed at the acquisition date (in thousands):

Assets acquired:	
Current assets	\$ 11,250
Intangible assets	167,900
Other non-current assets	8,947
Total assets acquired	188,097
Liabilities assumed:	
Deferred revenue	21,461
Other current liabilities	3,976
Deferred tax liabilities	16,916
Non-current liabilities	10,238
Total liabilities assumed	52,591
Net assets acquired	135,506
Goodwill	538,761
Total purchase price	\$ 674,267

A summary of the fair values, discount rates and estimated useful lives of the acquired intangible assets is as follows (dollars in thousands):

Intangible Asset	Fair Value	Discount Rate	Estimated Useful Life
Acquired technology	\$ 134,300	12.0%	8 years
Customer relationships	32,300	11.5%	16 years
Trademark	1,300	11.5%	5 years

The Company utilizes different valuation approaches and methodologies to determine the fair values of acquired intangible assets. The valuation approaches and methodologies are based on estimates of future operating projections as well as judgments on the discount rate and other variables. These fair values are based on significant unobservable inputs, including management estimates and assumptions and thus represent Level 3 measures in the fair value hierarchy.

Acquired technology was valued using the multi-period excess earnings method. This method of valuation reflects the present value of the projected cash flows that are expected to be generated by the acquired technology less charges representing the contribution of other assets to those cash flows.

Customer relationships were valued using a distributor method, which uses market-based inputs to value an asset. Under the distributor method, the value of the customer relationships is a function of several components, including revenue associated with the existing customers, distributor profit margin, charges for use of other assets and discount rate.

The trademark was valued under the relief from royalty method, which is equal to the present value of the after-tax royalty savings attributable to owning the trademark as opposed to paying a third party for its use.

The acquired intangible assets, with a weighted average useful life of 9.5 years, are being amortized on a straight-line basis.

For the period from the date of acquisition through June 30, 2025, EvolutionIQ's revenues were less than 5.0% of the Company's total revenues and not material. For the three months ended June 30, 2025, EvolutionIQ's pretax loss was \$23.6 million, including \$14.8 million of stock-based compensation expense and \$4.8 million of amortization expense. For the period from the date of acquisition through June 30, 2025, EvolutionIQ's pretax loss was \$51.8 million, including \$34.9 million of stock-based compensation expense and \$9.5 million of amortization expense.

The Company incurred transaction costs associated with the acquisition of \$16.3 million. During the three and six months ended June 30, 2025, the Company incurred transaction costs of \$0.1 million and \$7.6 million, respectively, included in general and administrative expenses within the condensed consolidated statements of operations and comprehensive income (loss).

4. REVENUE

Disaggregation of Revenue—The Company provides disaggregation of revenue based on type of service as it believes these categories best depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

The following table summarizes revenue by type of service for the three and six months ended June 30, 2025 and 2024 (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Software subscriptions	\$ 250,579	\$ 223,014	\$ 493,115	\$ 441,083
Other	9,872	9,604	18,901	18,772
Total revenues	<u>\$ 260,451</u>	<u>\$ 232,618</u>	<u>\$ 512,016</u>	<u>\$ 459,855</u>

Transaction Price Allocated to the Remaining Performance Obligations—Remaining performance obligations represent contracted revenue that has not yet been recognized, which includes deferred revenue and amounts that will be invoiced and recognized as revenue in future periods. As of June 30, 2025, approximately \$1,749 million of revenue is expected to be recognized from remaining performance obligations in the amount of approximately \$738 million during the following twelve months, and approximately \$1,011 million thereafter. The estimated revenues do not include unexercised contract renewals. The remaining performance obligations exclude future transaction revenue where revenue is recognized as the services are rendered and in the amount to which the Company has the right to invoice.

Deferred Revenue—Revenue recognized for the three months ended June 30, 2025 from amounts in deferred revenue as of March 31, 2025 was \$54.0 million. Revenue recognized for the three months ended June 30, 2024 from amounts in deferred revenue as of March 31, 2024 was \$41.3 million. Revenue recognized for the six months ended June 30, 2025 from amounts in deferred revenue as of December 31, 2024 was \$43.0 million. Revenue recognized for the six months ended June 30, 2024 from amounts in deferred revenue as of December 31, 2023 was \$39.9 million.

Contract Assets and Liabilities—The opening and closing balances of the Company's receivables, contract assets and contract liabilities from contracts with customers are as follows (in thousands):

	June 30, 2025	December 31, 2024
Accounts receivables—Net of allowances	\$ 132,450	\$ 106,578
Deferred contract costs	23,158	22,373
Long-term deferred contract costs	20,281	18,692
Other assets (accounts receivable, non-current)	22,794	16,946
Deferred revenues	71,214	44,915
Other liabilities (deferred revenues, non-current)	1,078	1,415

A summary of the activity impacting deferred revenue balances during the three and six months ended June 30, 2025 and 2024 is presented below (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Balance at beginning of period	\$ 69,172	\$ 47,560	\$ 46,330	\$ 44,940
Revenue recognized ¹	(176,485)	(117,797)	(327,989)	(233,209)
Additional amounts deferred ¹	179,605	118,338	353,951	236,370
Balance at end of period	<u>\$ 72,292</u>	<u>\$ 48,101</u>	<u>\$ 72,292</u>	<u>\$ 48,101</u>
Classified as:				
Current	\$ 71,214	\$ 45,988	\$ 71,214	\$ 45,988
Non-current	1,078	2,113	1,078	2,113
Total deferred revenue	<u>\$ 72,292</u>	<u>\$ 48,101</u>	<u>\$ 72,292</u>	<u>\$ 48,101</u>

¹ Amounts include total revenue deferred and recognized during each respective period.

The additional amount deferred during the six months ended June 30, 2025 includes \$21.5 million related to the deferred revenue recorded at the time of the acquisition of EvolutionIQ.

A summary of the activity impacting the deferred contract costs during the three and six months ended June 30, 2025 and 2024 is presented below (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Balance at beginning of period	\$ 42,179	\$ 40,153	\$ 41,065	\$ 40,202
Costs amortized	(6,019)	(5,322)	(11,683)	(10,571)
Additional amounts deferred	7,279	6,262	14,057	11,462
Balance at end of period	<u>\$ 43,439</u>	<u>\$ 41,093</u>	<u>\$ 43,439</u>	<u>\$ 41,093</u>
Classified as:				
Current	\$ 23,158	\$ 19,427	\$ 23,158	\$ 19,427
Non-current	20,281	21,666	20,281	21,666
Total deferred contract costs	<u>\$ 43,439</u>	<u>\$ 41,093</u>	<u>\$ 43,439</u>	<u>\$ 41,093</u>

5. FAIR VALUE MEASUREMENTS

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Interest Rate Swaps—During the six months ended June 30, 2025, the Company entered into three interest rate swap agreements to reduce its exposure to variability from future cash flows resulting from interest rate risk related to its floating rate long-term debt (see Note 14). The fair value of the interest rate swap agreements was estimated using inputs that were observable or that could be corroborated by observable market data and therefore was classified within Level 2 of the fair value hierarchy as of June 30, 2025.

The Company does not designate its interest rate swap agreements as hedging instruments and records the changes in fair value within other (expense) income—net on the condensed consolidated statements of operations and comprehensive income (loss). As of June 30, 2025, the interest rate swap agreements had a fair value liability of \$7.6 million. The fair value of the interest rate swap agreements is classified within other liabilities in the accompanying condensed consolidated balance sheet as of June 30, 2025.

Interest Rate Caps—In August 2022, the Company entered into two interest rate cap agreements to reduce its exposure to increases in interest rates applicable to its floating rate long-term debt (see Note 14). The fair value of the interest rate cap agreements was estimated using inputs that were observable or that could be corroborated by observable market data and therefore was classified within Level 2 of the fair value hierarchy as of June 30, 2025 and December 31, 2024.

The Company does not designate its interest rate cap agreements as hedging instruments and records the changes in fair value within other (expense) income—net on the condensed consolidated statements of operations and comprehensive income (loss). As of June 30, 2025 and December 31, 2024, the interest rate cap agreements had a fair value of \$0.2 million and \$1.0 million, respectively. The fair value of the interest rate cap agreements is classified within other current assets in the accompanying condensed consolidated balance sheets as of June 30, 2025 and December 31, 2024.

The following table presents the fair value of the assets and liabilities measured at fair value on a recurring basis as of June 30, 2025 (in thousands):

	Fair Value	Level 1	Level 2	Level 3
Assets				
Interest rate caps	\$ 163	\$ —	\$ 163	\$ —
Total assets	<u>\$ 163</u>	<u>\$ —</u>	<u>\$ 163</u>	<u>\$ —</u>
Liabilities				
Interest rate swaps	\$ 7,569	\$ —	\$ 7,569	\$ —
Total liabilities	<u>\$ 7,569</u>	<u>\$ —</u>	<u>\$ 7,569</u>	<u>\$ —</u>

The following table presents the fair value of the assets and liabilities measured at fair value on a recurring basis as of December 31, 2024 (in thousands):

	Fair Value	Level 1	Level 2	Level 3
Assets				
Interest rate caps	\$ 975	\$ —	\$ 975	\$ —
Total assets	<u>\$ 975</u>	<u>\$ —</u>	<u>\$ 975</u>	<u>\$ —</u>

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis—The Company has assets that under certain conditions are subject to measurement at fair value on a nonrecurring basis. These assets include those associated with acquired businesses, including goodwill and other intangible assets. For these assets, measurement at fair value in periods subsequent to their initial recognition is applicable if one or more is determined to be impaired. The Company did not recognize any impairment charges related to these assets during the three and six months ended June 30, 2025 and 2024.

Fair Value of Other Financial Instruments—The following table presents the carrying amounts, net of debt discount, and the estimated fair values of the Company’s financial instruments that are not recorded at fair value on the condensed consolidated balance sheets (in thousands):

Description	June 30, 2025		December 31, 2024	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Term Loan, including current maturities	\$ 994,890	\$ 995,998	\$ 774,825	\$ 776,970

The fair value of the Company’s long-term debt, including current maturities, was estimated based on quoted market prices for the same or similar instruments and fluctuates with changes in applicable interest rates among other factors. The fair value of long-term debt is classified as a Level 2 measurement in the fair value hierarchy and is established based on observable inputs in less active markets.

6. INCOME TAXES

On July 4, 2025, the One Big Beautiful Bill Act (“OBBA”) was signed into law. The OBBA contains several changes to corporate taxation including modifications to capitalization of research and development expenses, limitations on deductions for interest expense, and accelerated fixed asset depreciation. The Company is still in the process of evaluating the OBBA and an estimate of its impact on the Company and the Company’s financial statements cannot be made at this time.

The Company recognized an income tax benefit of \$7.2 million and an income tax provision of \$4.3 million for the three months ended June 30, 2025 and 2024, respectively. The income tax benefit for the three months ended June 30, 2025 was primarily due to the Company’s year-to-date pre-tax book loss. The income tax provision for the three months ended June 30, 2024 was primarily due to the tax provision related to pre-tax book income.

The Company recognized an income tax benefit of \$20.5 million and an income tax provision of \$0.1 million for the six months ended June 30, 2025 and 2024, respectively. The income tax benefit for the six months ended June 30, 2025 was primarily due to the Company’s pre-tax book loss. The income tax provision for the six months ended June 30, 2024 was primarily due to the Company’s pre-tax book income, partially offset by the tax benefit related to stock-based compensation expense.

The Company made income tax payments of \$26.3 million and \$30.0 million during the three months ended June 30, 2025 and 2024, respectively. Refunds received from various states were negligible during the three months ended June 30, 2025 and 2024.

The Company made income tax payments of \$27.3 million and \$30.6 million during the six months ended June 30, 2025 and 2024, respectively. The Company received refunds of \$0.7 million from various states during the six months ended June 30, 2025. Refunds received from various states were negligible during the six months ended June 30, 2024.

As of June 30, 2025, unrecognized tax benefits were materially consistent with the amount as of December 31, 2024. The Company believes its liability for unrecognized tax benefits, excluding interest and penalties, will not materially change over the following twelve months.

7. ACCOUNTS RECEIVABLE

Accounts receivable—Net as of June 30, 2025 and December 31, 2024, consists of the following (in thousands):

	June 30, 2025	December 31, 2024
Accounts receivable	\$ 136,760	\$ 111,270
Allowance for credit losses and sales reserves	(4,310)	(4,692)
Accounts receivable—Net	\$ 132,450	\$ 106,578

As of June 30, 2025, one customer accounted for 10% of accounts receivable—Net. As of December 31, 2024, one customer accounted for 11% of accounts receivable—Net.

Changes to the allowance for credit losses and sales reserves during the three and six months ended June 30, 2025 and 2024 consist of the following (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Balance at beginning of period	\$ 4,325	\$ 4,792	\$ 4,692	\$ 5,574
Charges to bad debt and sales reserves	985	794	2,949	1,759
Write-offs—Net	(1,000)	(1,507)	(3,331)	(3,254)
Balance at end of period	<u>\$ 4,310</u>	<u>\$ 4,079</u>	<u>\$ 4,310</u>	<u>\$ 4,079</u>

8. OTHER CURRENT ASSETS

Other current assets as of June 30, 2025 and December 31, 2024 consists of the following (in thousands):

	June 30, 2025	December 31, 2024
Prepaid SaaS costs	\$ 9,623	\$ 9,112
Prepaid service fees	6,847	7,352
Prepaid software and equipment maintenance	955	673
Prepaid insurance	512	2,561
Other	13,540	9,275
Total other current assets	<u>\$ 31,477</u>	<u>\$ 28,973</u>

9. SOFTWARE, EQUIPMENT, AND PROPERTY

Software, equipment, and property as of June 30, 2025 and December 31, 2024 consists of the following (in thousands):

	June 30, 2025	December 31, 2024
Software, licenses and database	\$ 299,630	\$ 275,127
Leasehold improvements	31,328	30,993
Computer equipment	10,874	18,993
Building and land	4,910	4,910
Furniture and other equipment	1,477	1,332
Total software, equipment, and property	348,219	331,355
Less accumulated depreciation and amortization	(177,878)	(159,276)
Software, equipment, and property—Net	<u>\$ 170,341</u>	<u>\$ 172,079</u>

Depreciation and amortization expense related to software, equipment and property was \$13.8 million and \$9.7 million for the three months ended June 30, 2025 and 2024, respectively. Depreciation and amortization expense related to software, equipment and property was \$27.4 million and \$19.2 million for the six months ended June 30, 2025 and 2024, respectively.

10. LEASES

The Company leases real estate in the form of office space and data center facilities. Generally, at the inception of the contract, the term for real estate leases ranges from 2 to 17 years and the term for equipment leases is 1 to 3 years. Some real estate leases include options to renew that can extend the original term by 3 to 5 years.

The components of lease expense for the three and six months ended June 30, 2025 and 2024 were as follows (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Operating lease costs	\$ 1,878	\$ 1,299	\$ 3,671	\$ 2,707
Variable lease costs	1,085	1,093	2,210	2,194
Total lease costs	\$ 2,963	\$ 2,392	\$ 5,881	\$ 4,901

During the three months ended June 30, 2025 and 2024, the Company made cash payments for operating leases of \$2.3 million and \$2.0 million, respectively. During the six months ended June 30, 2025 and 2024, the Company made cash payments for operating leases of \$4.6 million and \$3.8 million, respectively.

During the three months ended June 30, 2025 and 2024 the Company did not obtain any operating lease assets in exchange for lease liabilities. During the six months ended June 30, 2025, in connection with the acquisition of EvolutionIQ, the Company obtained operating lease assets in exchange for lease liabilities of \$8.8 million. During the six months ended June 30, 2024, the Company obtained operating lease assets in exchange for lease liabilities of \$0.7 million.

11. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets are primarily the result of business acquisitions.

The Company performs its annual impairment assessment of goodwill and indefinite life intangible assets as of November 30 of each year.

No impairments to goodwill or indefinite life intangible assets were recorded during the three and six months ended June 30, 2025.

Changes in the carrying amount of goodwill were as follows during the six months ended June 30, 2025 (in thousands):

	Net Carrying Amount
Balance as of December 31, 2024	\$ 1,417,724
Acquisition of EvolutionIQ, Inc.	538,761
Balance as of June 30, 2025	\$ 1,956,485

Intangible Assets—During the six months ended June 30, 2025, the Company recorded \$167.9 million of intangible assets as a result of the acquisition of EvolutionIQ (see Note 3).

No intangible asset impairments were recorded during the three and six months ended June 30, 2025.

The intangible assets balance as of June 30, 2025 is reflected below (in thousands):

	Estimated Useful Life (Years)	Weighted- Average Remaining Useful Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	16-18	10.1	\$ 1,324,130	\$ (587,715)	\$ 736,415
Acquired technologies	7-8	7.4	139,100	(10,737)	128,363
Trademarks	5	4.5	1,300	(130)	1,170
Subtotal			1,464,530	(598,582)	865,948
Trademarks—indefinite life			190,470	—	190,470
Total intangible assets			\$ 1,655,000	\$ (598,582)	\$ 1,056,418

The intangible assets balance as of December 31, 2024 is reflected below (in thousands):

	Estimated Useful Life (Years)	Weighted- Average Remaining Useful Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	18	10.3	\$ 1,291,830	\$ (550,822)	\$ 741,008
Acquired technologies	7	4.1	4,800	(2,000)	2,800
Subtotal			1,296,630	(552,822)	743,808
Trademarks—indeefinite life			190,470	—	190,470
Total intangible assets			<u>\$ 1,487,100</u>	<u>\$ (552,822)</u>	<u>\$ 934,278</u>

Amortization expense for intangible assets was \$22.9 million and \$20.0 million for the three months ended June 30, 2025 and 2024, respectively. Amortization expense for intangible assets was \$45.8 million and \$44.5 million for the six months ended June 30, 2025 and 2024, respectively.

Future amortization expense for the remainder of the year ended December 31, 2025 and the following four years ended December 31 and thereafter for intangible assets as of June 30, 2025 is as follows (in thousands):

Years Ending December 31:

2025	45,760
2026	91,520
2027	91,520
2028	91,520
2029	90,891
Thereafter	454,737
Total	<u>\$ 865,948</u>

12. ACCRUED EXPENSES

Accrued expenses as of June 30, 2025 and December 31, 2024 consists of the following (in thousands):

	June 30, 2025	December 31, 2024
Compensation	\$ 39,060	\$ 47,505
Royalties and licenses	5,680	5,116
Software license agreement	4,742	4,613
Sales tax	4,413	3,620
Professional services	3,600	6,260
Option holdback	3,184	—
Employee insurance benefits	2,270	2,235
Other	3,555	3,194
Total accrued expenses	<u>\$ 66,504</u>	<u>\$ 72,543</u>

13. OTHER LIABILITIES

Other liabilities as of June 30, 2025 and December 31, 2024 consists of the following (in thousands):

	June 30, 2025	December 31, 2024
Income taxes payable—non-current	\$ 8,848	\$ 6,344
Fair value on interest rate swap	7,569	—
Software license agreement	—	3,544
Deferred revenue—non-current	1,078	1,415
Total other liabilities	<u>\$ 17,495</u>	<u>\$ 11,303</u>

14. LONG-TERM DEBT

On September 21, 2021, CCC Intelligent Solutions Inc., an indirect wholly owned subsidiary of the Company, together with certain of the Company's subsidiaries acting as guarantors entered into a credit agreement (as amended, the "2021 Credit Agreement").

The 2021 Credit Agreement originally consisted of an \$800.0 million term loan, the proceeds of which, with cash on hand, were used to repay all outstanding borrowings under the Company's previous credit agreement.

2025 Refinancing—On January 6, 2025, in conjunction with the acquisition of EvolutionIQ (Note 3), the Company entered into the third amendment to the 2021 Credit Agreement (the "Third Amendment") that provided the Company with incremental term loans in an aggregate principal amount of \$225.0 million (the "Incremental Term Loans"). Prior to the Fourth Amendment (as defined below) the Incremental Term Loans were repayable in quarterly installments in an amount equal to 0.25% of the original principal amount, with the balance payable at maturity, September 21, 2028.

Prior to the Fourth Amendment, the interest rate per annum applicable to the Incremental Term Loans were based on a fluctuating rate of interest, determined by the Company's leverage ratio, as defined in the 2021 Credit Agreement. In connection with the Fourth Amendment, the Incremental Term Loans were refinanced together with other term loans outlined in the following paragraphs.

On January 23, 2025, the Company entered into the fourth amendment (the "Fourth Amendment" and together with the Third Amendment, the "Amendments") to the 2021 Credit Agreement.

Pursuant to the terms of the Fourth Amendment, the Company incurred incremental term loans in an aggregate principal amount of \$225.0 million, which were used to (i) refinance certain outstanding incremental term loans (including the Incremental Term Loans), (ii) extend the maturity of all term loans to January 23, 2032, (iii) remove the credit spread adjustment applicable to secured overnight financing rate ("SOFR") loans, and (iv) reduce the interest rate margin applicable to all term loans.

All other terms and conditions within the Company's 2021 Credit Agreement were unchanged as part of the Amendments.

Upon execution of the Fourth Amendment, the Company had outstanding borrowings under a term loan of \$1,001 million (the "Term Loan") and a revolving credit facility for an aggregate principal amount of \$250.0 million (the "2021 Revolving Credit Facility" and together with the Term Loan, the "2021 Credit Facilities"). The 2021 Revolving Credit Facility has a sublimit of \$75.0 million for letters of credit.

The Company incurred \$3.8 million in costs related to the Amendments, recorded as contra-debt. These costs are being amortized to interest expense over the term of the Term Loan using the effective interest method.

The Term Loan requires quarterly principal payments of approximately \$2.5 million until December 31, 2031, with the remaining outstanding principal amount required to be paid on the maturity date. If the Company's leverage ratio, as defined in the 2021 Credit Agreement is greater than 3.5, the Term Loan requires a prepayment of principal, subject to certain exceptions, in connection with the receipt of proceeds from certain asset sales, casualty events, and debt issuances by the Company, and up to 50% of annual excess cash flow, as defined in and as further set forth in the 2021 Credit Agreement. When a principal prepayment is required, the prepayment offsets the future quarterly principal payments of the same amount. As of December 31, 2024, the Company's leverage ratio did not exceed the 3.5 threshold and the Company was not subject to the annual excess cash flow calculation, and as such, not required to make a prepayment of principal.

As of June 30, 2025 and December 31, 2024, the amount outstanding on the Term Loan was \$996.0 million and \$776.0 million, respectively. As of June 30, 2025 and December 31, 2024, \$10.0 million and \$8.0 million, respectively, was classified as current in the accompanying condensed consolidated balance sheets.

Borrowings under the 2021 Credit Facilities bear interest at rates based on the ratio of CCC Intelligent Solutions Inc. and certain of its subsidiaries' consolidated first lien net indebtedness to consolidated EBITDA for applicable periods specified in the 2021 Credit Agreement.

Pursuant to the Fourth Amendment, the interest rate per annum applicable to the Term Loan is based on a fluctuating rate of interest equal to the sum of an applicable rate and, at the Company's election from time to time, either:

(1) 1.00% in the case of base rate loans, and 2.00%, in the case of SOFR (or the Euro Interbank Offer Rate ("EURIBOR") or the Sterling Overnight Indexed Average ("SONIA")) loans, if S&P and Moody's Debt First Lien Leverage Ratio Ratings (as defined in the Credit Agreement) are below BB- (with a stable outlook) or below Ba3 (with a stable outlook) (or if for any reason this category does not apply, including if the Borrower has only one Debt Rating or the Borrower does not have any Debt Rating), and

(2) 0.75%, in the case of base rate loans, and 1.75%, in the case of SOFR (or EURIBOR or SONIA) loans, if S&P and Moody's Debt First Lien Leverage Ratio Ratings are both BB- (with a stable outlook) or better and Ba3 (with a stable outlook) or better.

Prior to the Amendments, the interest rate per annum applicable to the loans is based on a fluctuating rate of interest equal to the sum of an applicable rate and term SOFR (or EURIBOR or SONIA) with a term, as selected by the Company, of one, three or six months (subject to (x) in the case of term loans, a 0.50% per annum floor and (y) in the case of revolving loans, a 0.00% per annum floor).

In September 2024, the Company entered into Amendment No. 2 to the 2021 Credit Agreement (the "Second Amendment") to (i) remove the SOFR credit adjustment applicable to the 2021 Revolving Credit Facility and (ii) reduce the applicable interest rate for the 2021 Revolving Credit Facility by 0.25%. Additionally, the maturity date for the 2021 Revolving Credit Facility was extended to September 23, 2029.

At the time of entering into the 2021 Credit Agreement, the Company incurred \$3.1 million in financing costs related to the 2021 Revolving Credit Facility. The Company incurred \$0.7 million in financing costs related to the Second Amendment. These costs were recorded to a deferred financing fees asset account and are being amortized to interest expense over the term of the 2021 Revolving Credit Facility. As of June 30, 2025 and December 31, 2024, the deferred financing fees asset balance was \$1.6 million and \$1.7 million, respectively.

A quarterly commitment fee of up to 0.50% is payable on the unused portion of the 2021 Revolving Credit Facility.

During the three months ended June 30, 2025 and 2024, the weighted-average interest rate on the outstanding borrowings under the Term Loan was 6.4% and 7.8%, respectively.

During the six months ended June 30, 2025 and 2024, the weighted-average interest rate on the outstanding borrowings under the Term Loan was 6.3% and 7.8%, respectively.

As of June 30, 2025 and December 31, 2024, the Company has outstanding standby letters of credit for \$1.1 million and \$0.7 million, respectively, which reduce the amount available to be borrowed under the 2021 Revolving Credit Facility. As of June 30, 2025 and December 31, 2024, \$248.9 million and \$249.3 million, respectively, was available to be borrowed.

The terms of the 2021 Credit Agreement include a financial covenant which requires that, at the end of each fiscal quarter, if the aggregate amount of borrowings under the 2021 Revolving Credit Facility exceeds 35% of the aggregate commitments of the Company, the leverage ratio of CCC Intelligent Solutions Inc. and certain of its subsidiaries cannot exceed 6.25 to 1.00. Borrowings under the 2021 Revolving Credit Facility did not exceed 35% of the aggregate commitments and the Company was not subject to the leverage test as of June 30, 2025 or December 31, 2024.

Long-term debt as of June 30, 2025 and December 31, 2024 consists of the following (in thousands):

	June 30, 2025	December 31, 2024
Term Loan	\$ 995,995	\$ 776,000
Term Loan—discount	(1,093)	(1,175)
Term Loan—deferred financing fees	(11,594)	(5,772)
Term Loan—Net of discount & fees	983,308	769,053
Less: Current portion	(10,010)	(8,000)
Total long-term debt—Net of current portion	<u>\$ 973,298</u>	<u>\$ 761,053</u>

Interest Rate Swaps—During the six months ended June 30, 2025, the Company entered into three interest rate swap agreements (the "Swaps") to reduce its exposure to variability from future cash flows resulting from interest rate risk related to its floating rate long-term debt. Pursuant to the terms of the Swaps, beginning on July 31, 2025, the Company will pay an average fixed interest rate of 3.94% on an aggregate notional amount corresponding to borrowings of \$750.0 million in exchange for receipts on the same notional amount at a floating interest rate based on the applicable SOFR at the time of payment. The Swaps expire on July 31, 2027.

As of June 30, 2025, the aggregate fair value of the Swaps was a liability of \$7.6 million (see Note 5).

Interest Rate Caps—In August 2022, the Company entered into two interest rate cap agreements to reduce its exposure to increases in interest rates applicable to its floating rate long-term debt. The interest rate cap agreements have an aggregate notional amount of \$600.0 million and a one-month SOFR cap rate of 4.00% through their expiration in July 2025.

Cash received related to the interest rate cap agreements was \$0.5 million and \$2.0 million for the three months ended June 30, 2025 and 2024, respectively. Cash received related to the interest rate cap agreements was \$1.0 million and \$4.0 million for the six months ended June 30, 2025 and 2024, respectively.

As of June 30, 2025 and December 31, 2024, the aggregate fair value of the interest rate cap agreements was \$0.2 million and \$1.0 million, respectively (see Note 5).

15. REDEEMABLE NON-CONTROLLING INTEREST

On March 12, 2020, the Company entered into a stock purchase agreement and other related documentation (the "Stock Purchase Agreements") with a third-party investor (the "Investor") for purchase by the Investor of Series A Preferred Stock in CCC Cayman Holdings Limited ("CCC Cayman"), a majority-owned subsidiary of the Company and the parent of the Company's China subsidiaries. At the closing of the transactions under the Stock Purchase Agreements (the "Close Date"), CCC Cayman, a subsidiary of the Company, issued 1,818 shares of Series A Preferred Stock (the "Preferred Shares") at \$7,854 per share to the Investor for net proceeds of \$14.2 million. As of December 31, 2024, on an as-converted basis, the Preferred Shares represented an aggregate 10.0% ownership interest of the issued and outstanding capital stock of CCC Cayman, or 8.6% on a fully-diluted basis.

The Preferred Shares were redeemable upon an actual or deemed redemption event as defined in the Stock Purchase Agreements or at the option of the Investor beginning on the five-year anniversary of the Close Date, if an actual or deemed redemption event had not yet occurred.

The redemption price, as defined by the Stock Purchase Agreements, was equal to the original issue price of the Preferred Shares, plus 10.0% compound interest per annum on the Preferred Share issue price, plus any declared but unpaid dividends on the Preferred Shares.

The Preferred Shares did not participate in net income or losses.

On March 17, 2025, the Company received a notice of redemption under the Stock Purchase Agreements. Upon receiving the notice of redemption, the shares became mandatorily redeemable and payable by CCC Cayman (without recourse to the Company) and were no longer presented within mezzanine equity as a redeemable non-controlling interest.

As of December 31, 2024, the Investor's ownership in CCC Cayman was classified in mezzanine equity as a redeemable non-controlling interest, because it was redeemable on an event that was not solely in the control of the Company.

The activity impacting the redeemable non-controllable interest during the three and six months ended June 30, 2025 and 2024 is presented below (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Balance at beginning of period	\$ —	\$ 17,726	\$ 21,679	\$ 16,584
Accretion of redeemable non-controlling interest	—	1,221	1,276	2,363
Issuance of promissory note to minority investor of redeemable preferred securities	—	—	(22,955)	—
Balance at end of period	\$ —	\$ 18,947	\$ —	\$ 18,947

16. NOTE PAYABLE TO MINORITY INVESTOR

In connection with the Investor's notice of redemption of their Series A Preferred Stock and in accordance with the provisions of the Stock Purchase Agreements (see Note 15), on May 16, 2025, CCC Cayman issued a promissory note (the "Promissory Note") to the Investor. The obligors under the Promissory Note are CCC Cayman and its subsidiaries, without recourse to the Company.

The Promissory Note has an initial principal amount outstanding of \$23.4 million. The Promissory Note accrues interest at a rate of 12.0% per annum, compounded daily. All accrued interest is payable in kind and added to the outstanding principal amount. During the three months ended June 30, 2025, the Company recognized \$0.3 million of interest expense on the Promissory Note.

The Promissory Note's maturity date is defined as the date CCC Cayman has available funds and assets, as defined in the Stock Purchase Agreements, that are available and sufficient to pay in full the redemption price for the Investor's shares of Series A

Preferred Stock. The Promissory Note allows for CCC Cayman to prepay, in whole or in part, any outstanding principal or interest prior to the maturity date without penalty.

As of June 30, 2025, the total amount outstanding under the Promissory Note was \$23.7 million.

17. CAPITAL STOCK

Preferred Stock—The Company is authorized to issue up to 100,000,000 shares of undesignated preferred stock with a par value of \$0.0001 per share with such designations, voting and other rights and preferences as may be determined from time to time by the Company's board of directors. As of June 30, 2025, there were no shares of preferred stock issued or outstanding.

Common Stock—The Company is authorized to issue up to 5,000,000,000 shares of common stock with a par value of \$0.0001 per share. Each holder of common stock is entitled to one vote for each share of common stock held of record by such holder on all matters voted upon by the stockholders, subject to the restrictions set out in the Company's certificate of incorporation. Holders of common stock are entitled to receive any dividends as may be declared from time to time by the board of directors. Upon a liquidation event, subject to the rights of the holders of any preferred stock issued and outstanding at such time, any distribution shall be made on a pro rata basis to the common stockholders.

There were 648,994,473 and 629,207,115 shares of common stock issued and outstanding as of June 30, 2025 and December 31, 2024, respectively.

Restricted Common Stock—As part of the acquisition of EvolutionIQ in January 2025 (see Note 3), the Company issued 10,356,096 restricted shares of common stock, subject to re-vesting conditions. The restricted shares have service-based vesting conditions and vest annually over two years. The fair value of the restricted shares at the acquisition date was \$118.2 million, of which \$71.5 million was included as purchase consideration and the remaining \$46.7 million will be recognized as stock-based compensation over the vesting period.

Secondary Offerings and Stock Repurchase—In March 2025, certain existing stockholders completed a secondary offering where the selling stockholders sold 42,000,000 shares of common stock. Concurrent with the closing of the secondary offering, 7,000,000 shares of common stock were repurchased by the Company for an aggregate price of \$72.3 million. The shares repurchased by the Company were formally retired. The excess purchase price over par value was charged directly to accumulated deficit.

During the six months ended June 30, 2024, certain existing stockholders completed secondary offerings where the selling stockholders sold an aggregate of 141,450,000 shares of the Company's common stock. The Company did not receive proceeds from the sale of the shares by the selling stockholders.

In connection with the secondary offerings, the Company incurred costs of \$0.2 million and \$1.0 million during the three months ended June 30, 2025 and 2024, respectively, included within general and administrative expenses on the condensed consolidated statement of operations and comprehensive income (loss). In connection with the secondary offerings, the Company incurred costs of \$0.5 million and \$1.7 million during the six months ended June 30, 2025 and 2024, respectively, included within general and administrative expenses on the condensed consolidated statement of operations and comprehensive income (loss).

Share Repurchase Program—In December 2024, the Company's board of directors authorized the repurchase of up to \$300.0 million of the Company's outstanding shares of common stock (the "2024 Share Repurchase Program"). Under the 2024 Share Repurchase Program, the Company is authorized to repurchase shares through open market purchases, privately negotiated transactions, accelerated share repurchases, or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, in accordance with applicable securities laws and other restrictions. The 2024 Repurchase Program does not obligate the Company to repurchase any amount of common stock. The specific timing and amount of repurchases may vary based on available capital resources, market conditions, management's discretion, security laws limitations, and other factors.

During the three months ended June 30, 2025, the Company repurchased 10,988,327 shares for an aggregate purchase price of \$100.0 million. During the six months ended June 30, 2025, the company repurchased 17,988,327 shares for an aggregate purchase price of \$172.3 million. During the three months ended June 30, 2025, the Company incurred \$0.2 million of fees directly related to the repurchase of shares.

As of June 30, 2025, the Company has repurchased \$172.3 million of its common stock and \$127.7 million remains available to purchase outstanding shares under the 2024 Share Repurchase Program.

18. STOCK INCENTIVE PLANS

In July 2021, the 2021 Equity Incentive Plan (the "2021 Plan") was adopted and approved by the Company's board of directors and stockholders.

Restricted Stock Units and Restricted Stock Awards—The table below summarizes the restricted stock unit ("RSU") and restricted stock award ("RSA") activity for the six months ended June 30, 2025:

	Shares	Weighted-Average Fair Value
Unvested—December 31, 2024	31,042,552	\$ 10.92
Granted	15,737,535	10.19
Vested	(14,912,601)	11.14
Forfeited	(1,524,504)	10.39
Unvested—June 30, 2025	<u>30,342,982</u>	<u>10.45</u>

In connection with the acquisition of EvolutionIQ (see Note 3), the Company granted 792,174 RSAs that are subject to service conditions.

During the six months ended June 30, 2025, the Company granted 15,737,535 RSUs, including 5,712,249 RSUs as part of the acquisition of EvolutionIQ. Of the RSUs granted during the six months ended June 30, 2025, 14,457,018 have time-based vesting requirements, and 1,280,517 have performance-based vesting requirements.

During the six months ended June 30, 2025, 14,912,601 RSUs vested, of which 4,345,322 were withheld for employee tax obligations.

Stock Options—The table below summarizes the stock option activity for the six months ended June 30, 2025:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Options outstanding—December 31, 2024	23,349,505	\$ 3.11	3.2	\$ 201,305
Exercised	(690,442)	2.84		
Forfeited and canceled	(2,384)	8.58		
Options outstanding—June 30, 2025	<u>22,656,679</u>	\$ 3.12	2.6	\$ 142,594
Options exercisable—June 30, 2025	<u>22,317,278</u>	\$ 3.05	2.6	\$ 141,945
Options vested and expected to vest—June 30, 2025	<u>22,650,559</u>	\$ 3.11	2.6	\$ 142,587

The fair value of the options which vested during the six months ended June 30, 2025 was \$1.3 million.

Cayman Equity Incentive Plan—In December 2022, the Company adopted the CCCIS Cayman Holdings Employees Equity Incentive Plans ("Cayman Incentive Plans"), which provide for the issuance of stock option awards in CCC Cayman ("Cayman Awards") to eligible employees of the Company's China subsidiaries.

Awards under the Cayman Incentive Plans are settled in cash and thus accounted for as liability awards. Awards granted under the Cayman Incentive Plans have time-based vesting and expire on the tenth anniversary of the grant date.

There were no stock options under the Cayman Incentive Plans granted during the six months ended June 30, 2025. The exercise price of the options granted is equal to the fair value of the underlying shares at the grant date. As of June 30, 2025 and December 31, 2024, stock options outstanding under the Cayman Incentive Plans are 2,357,514 and 2,363,514, respectively. None of the outstanding stock options are exercisable.

Employee Stock Purchase Plan—In July 2021, the Company adopted the CCC 2021 Employee Stock Purchase Plan ("ESPP").

During the six months ended June 30, 2025, 174,906 shares were sold under the ESPP.

The fair value of the ESPP purchase rights sold during the six months ended June 30, 2025 was estimated using the Black-Scholes option pricing model with the following assumptions:

Expected term (in years)	0.5
Expected volatility	23%
Expected dividend yield	0%
Risk-free interest rate	5.3%

Stock-Based Compensation—Stock-based compensation expense has been recorded in the accompanying condensed consolidated statements of operations and comprehensive income (loss) as follows for the three and six months ended June 30, 2025 and 2024 (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenues	\$ 4,110	\$ 2,672	\$ 6,795	\$ 4,754
Research and development	14,535	11,515	32,136	22,586
Sales and marketing	12,522	6,785	25,650	12,513
General and administrative	14,808	19,153	42,442	45,243
Total stock-based compensation expense	\$ 45,975	\$ 40,125	\$ 107,023	\$ 85,096

As of June 30, 2025, there was \$217.4 million of unrecognized stock compensation expense related to unvested time-based awards which is expected to be recognized over a weighted-average period of 2.3 years. As of June 30, 2025, there was \$25.0 million of unrecognized stock-based compensation expense related to unvested performance-based awards which is expected to be recognized over a weighted-average period of 2.0 years.

As of June 30, 2025, there was \$35.4 million of unrecognized stock compensation expense related to the restricted common stock subject to vesting conditions issued as part of the acquisition of EvolutionIQ in January 2025 (see Note 3 and Note 17). The unrecognized stock compensation expense is expected to be recognized over a weighted-average period of 1.6 years.

19. WARRANTS

Upon consummation of the Business Combination, the Company assumed warrants sold in a private placement ("Private Warrants") issued by Dragoneer.

Private Warrants could only be exercised for a whole number of shares of the Company's common stock. Each whole Private Warrant entitled the registered holder to purchase one share of the Company's common stock. All warrants had an exercise price of \$11.50 per share, subject to adjustment, beginning on August 29, 2021, and were to expire on July 30, 2026 or earlier upon redemption or liquidation. Additionally, the Private Warrants were exercisable on a cashless basis and were non-redeemable, so long as they were held by the initial purchasers or their permitted transferees. If the Private Warrants were held by someone other than the initial purchasers or their permitted transferees, the Private Warrants were redeemable by the Company and exercisable by such holders.

During May 2024, the Company redeemed all of the outstanding Private Warrants for an aggregate 3,809,200 shares of the Company's common stock. Following the redemption, the Company had no Private Warrants outstanding.

During the three and six months ended June 30, 2024, the Company recognized income of \$16.0 million and \$14.4 million, respectively as a change in fair value of warrant liabilities in the condensed consolidated statements of operations and comprehensive income (loss).

20. COMMITMENTS

Purchase Obligations—The Company has long-term agreements with suppliers and other parties related to licensing data used in its services, outsourced data center, disaster recovery and SaaS that expire at various dates through 2031. As of June 30, 2025, there were no material changes from the amounts disclosed as of December 31, 2024.

Guarantees—The Company's services and solutions are typically warranted to perform in a manner consistent with general industry standards that are reasonably applicable and substantially in accordance with the Company's services and solutions documentation under normal use and circumstances. The Company's services and solutions are generally warranted to be performed in a professional manner and to materially conform to the specifications set forth in the related customer contract. The Company's arrangements also include certain provisions for indemnifying customers against liabilities if its services and solutions infringe a third party's intellectual property rights.

To date, the Company has not incurred any material costs as a result of such indemnifications or commitments and has not accrued any liabilities related to such obligations in the accompanying consolidated financial statements.

Employment Agreements—The Company is a party to employment agreements with key employees that provide for compensation and certain other benefits. These agreements also provide for severance and bonus payments under certain circumstances.

21. LEGAL PROCEEDINGS AND CONTINGENCIES

In the ordinary course of business, the Company is from time to time, involved in various pending or threatened legal actions. The litigation process is inherently uncertain, and it is possible that the resolution of such matters might have a material adverse effect upon the Company's consolidated financial condition and/or results of operations. The Company's management believes, based on current information, matters currently pending or threatened are not expected to have a material adverse effect on the Company's consolidated financial position or results of operations.

In a prior year, the Company made claims against certain parties for violation of its intellectual property and other related actions. These claims were settled during the six months ended June 30, 2025.

22. RELATED PARTIES

The Company has engaged in transactions within the ordinary course of business with entities affiliated with its principal equity owners and directors.

The following table summarizes revenues recognized and expenses incurred with entities affiliated with one of its principal equity owners and directors for the three and six months ended June 30, 2025 and 2024 (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues				
Credit card processing	\$ 506	\$ 338	\$ 888	\$ 603
Expenses				
Employee health insurance benefits	565	683	947	1,853
Board of director fees for services, including related travel and out-of-pocket reimbursements	245	239	331	351
IT security software	156	128	312	255

As of June 30, 2025 and 2024, all receivables and payables from related parties were de minimis.

23. OTHER (EXPENSE) INCOME—NET

Other (expense) income—Net consists of the following (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Loss from change in fair value of interest rate swaps	\$ (2,238)	\$ —	\$ (7,569)	\$ —
Loss from change in fair value of interest rate caps	(402)	(852)	(812)	(134)
Income from derivative instruments	492	2,008	989	4,039
Other income—Net	91	97	238	286
Total other (expense) income—Net	<u>\$ (2,057)</u>	<u>\$ 1,253</u>	<u>\$ (7,154)</u>	<u>\$ 4,191</u>

24. NET INCOME (LOSS) PER SHARE

The Company calculates basic earnings per share by dividing the net income (loss) attributable to common stockholders by the weighted average number of shares of common stock outstanding for the period. The diluted earnings per share is computed by assuming the exercise, settlement and vesting of all potential dilutive common stock equivalents outstanding for the period using the treasury stock method. The Company excludes common stock equivalent shares from the calculation if their effect is anti-dilutive. In a period where the Company is in a net loss position, the diluted loss per share is calculated using the basic share count.

The following table sets forth a reconciliation of the numerator and denominator used to compute basic and diluted earnings per share of common stock (in thousands, except for share and per share data).

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Numerator				
Net income (loss)	\$ 12,960	\$ 21,445	\$ (4,461)	\$ 20,848
Accretion of redeemable non-controlling interest	—	(1,221)	(1,276)	(2,363)
Net income (loss) attributable to common stockholders	\$ 12,960	\$ 20,224	\$ (5,737)	\$ 18,485
Denominator				
Weighted average shares of common stock—basic and diluted	637,578,033	609,997,114	637,207,185	604,138,246
Dilutive effect of stock-based awards	23,044,670	28,370,631	—	32,852,387
Weighted average shares of common stock—diluted	660,622,703	638,367,745	637,207,185	636,990,633
Net income (loss) per share:				
Basic	\$ 0.02	\$ 0.03	\$ (0.01)	\$ 0.03
Diluted	\$ 0.02	\$ 0.03	\$ (0.01)	\$ 0.03

Approximately 11,524,628 and 52,267 common stock equivalent shares were excluded from the computation of diluted per share amounts for the three months ended June 30, 2025 and 2024, respectively, because their effect was anti-dilutive.

Approximately 28,922,996 and 4,794,260 common stock equivalent shares were excluded from the computation of diluted per share amounts for the six months ended June 30, 2025 and 2024, respectively, because their effect was anti-dilutive.

As part of the Business Combination, 8,625,000 shares issued and held by Dragoneer (the "Sponsor Vesting Shares") became non-transferable and subject to forfeiture on the tenth anniversary of the closing of the Business Combination if neither of the defined triggering events has occurred. The Sponsor Vesting Shares are issued and outstanding during the three and six months ended June 30, 2025 and 2024 and excluded from the weighted average number of shares of common stock outstanding until the vesting requirement is met and the restriction is removed.

25. SEGMENT INFORMATION AND INFORMATION ABOUT GEOGRAPHIC AREAS

The Company organizes its segments around its operations by geographic region and operates in one reportable segment (the "Domestic Segment"). The Domestic Segment provides SAAS platforms for the insurance economy and derives revenues from providing customers with software subscriptions to the platforms in addition to providing professional services and non-software services. The accounting policies of the Domestic Segment are the same as those described in Note 2.

The Company does not have intra-entity sales or transfers.

The chief operating decision maker ("CODM") of the Domestic Segment is the Company's chief executive officer. The CODM assesses performance for the Domestic Segment at the segment level and uses the segment's performance when making strategic decisions on how to allocate resources and capital. In addition, the segment's performance is used when reviewing actual financial performance against internal budgets and for establishing incentive compensation targets.

The CODM uses net income (loss) to evaluate income (loss) generated from operations in deciding whether to reinvest profits into the Domestic Segment or use for acquisitions, to pay dividends or repurchase outstanding shares of common stock. The CODM reviews financial information, including significant expenses, of the Domestic Segment on an adjusted basis, excluding certain items that may not be indicative of the Company's recurring core business operations. This financial information reviewed by the CODM is accompanied by information about revenue by type of service and geographic region, for purposes of allocating resources and evaluating financial performance.

The Company's financial information and performance measures used by the CODM do not include a metric or measure including segment assets and thus, no asset information is provided to the CODM for the purpose of making strategic decisions or allocating resources.

The following table presents the Company's financial information about reported segment revenue, significant segment expenses, and the Company's reconciliation of segment profit (loss) to consolidated net income (loss) (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues:				
Revenue—Domestic Segment	\$ 258,751	\$ 230,995	\$ 508,626	\$ 456,560
Revenue—Other ⁽¹⁾	1,700	1,623	3,390	3,294
Total Revenue	260,451	232,618	512,016	459,855
Segment Expenses:				
Data licenses and royalties—adjusted ⁽²⁾	10,512	10,908	21,542	21,859
Customer services—adjusted ⁽³⁾	26,294	23,640	54,303	48,063
Products and technology—adjusted ⁽⁴⁾	70,276	61,505	145,366	126,888
Revenue enablement—adjusted ⁽⁵⁾	31,299	30,093	67,635	61,384
General corporate and administrative—adjusted ⁽⁶⁾	19,735	17,226	40,065	34,255
Other segment items ⁽⁷⁾	40,646	34,906	95,019	69,124
Amortization expense	22,880	20,032	45,760	44,541
Depreciation expense	13,755	9,691	27,327	19,106
Interest expense	17,836	16,602	34,763	33,054
Interest income	(1,220)	(2,625)	(3,168)	(5,092)
Significant non-cash items ⁽⁸⁾	2,640	(15,113)	8,381	(14,245)
Income tax (benefit) provision	(7,163)	4,307	(20,516)	69
Total segment expenses	247,491	211,173	516,477	439,007
Net income (loss) including non-controlling interest	\$ 12,960	\$ 21,445	\$ (4,461)	\$ 20,848

¹ Represents revenue from an insignificant segment that does not meet the quantitative thresholds for determining reportable segments.

² Data licenses and royalties—adjusted expenses include third party costs for data licensing and royalty fees. Data licenses and royalties – adjusted excludes stock-based compensation expense and related employer payroll tax.

³ Customer services—adjusted expenses include the costs to deliver services to customers, including software configuration, integration and implementation services and customer support activities. Customer services—adjusted excludes stock-based compensation expense and related employer payroll tax.

⁴ Products and technology—adjusted expenses include costs related to the engineering, product management design and development of the Company's solutions, and costs related to the Company's hosting environments, support of production infrastructure, support of internal systems and infrastructure and IT security. Products and technology—adjusted excludes stock-based compensation expense and related employer payroll tax.

⁵ Revenue enablement—adjusted expenses include costs for sales and marketing functions, including sales incentives, advertising costs, and event costs. Revenue enablement—adjusted excludes stock-based compensation expense and related employer payroll tax.

⁶ General corporate and administrative—adjusted expenses include costs for our executive management and administrative employees, including finance and accounting, human resources, facilities and legal functions. Additional expenses include professional service fees, insurance premiums and other corporate expenses that are not allocated to the other adjusted expense categories. General corporate and administrative—adjusted excludes stock-based compensation expense and related employer payroll tax, litigation proceeds and litigation costs in which the Company is the plaintiff and related antitrust matters, costs associated with the acquisition and integration of completed and potential mergers and acquisitions, costs related to equity transactions, including secondary offerings and debt refinancing costs.

⁷ Other segment items include those items excluded from the significant segment expense categories and identified in the above descriptions, adjustments for capitalized labor costs incurred on internal development projects, and expenses of an insignificant segment that does not meet the quantitative thresholds for determining reporting segments.

⁸ Significant non-cash items include changes in fair value of derivative instruments and changes in fair value of warrant liabilities.

Revenues by geographic area, presented based upon the location of the customer are as follows (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
United States	\$ 258,751	\$ 230,995	\$ 508,626	\$ 456,561
China	1,700	1,623	3,390	3,294
Total revenues	<u>\$ 260,451</u>	<u>\$ 232,618</u>	<u>\$ 512,016</u>	<u>\$ 459,855</u>

Software, equipment and property—Net by geographic area are as follows (in thousands):

	June 30, 2025	December 31, 2024
United States	\$ 170,168	\$ 171,864
China	173	215
Total software, equipment and property—Net	<u>\$ 170,341</u>	<u>\$ 172,079</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read together with our unaudited condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from the forward-looking statements included herein. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section titled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" as set forth elsewhere in this Quarterly Report on Form 10-Q.

Unless otherwise indicated or the context otherwise requires, references to "CCC," the "Company," "we," "us," "our" and other similar terms refer to CCC Intelligent Solutions Holdings Inc. and its consolidated subsidiaries.

Business Overview

Founded in 1980, CCC provides leading SaaS platforms for the multi-trillion-dollar insurance economy powering operations for insurers, repairers, automakers, part suppliers, and more. CCC cloud technology connects more than 35,000 businesses digitizing mission-critical workflows, commerce, and customer experiences. A trusted leader in artificial intelligence ("AI"), customer experience, network and workflow management, CCC delivers technology that turns crucial moments into intelligent experiences, with the goal of shaping a world where life just works.

Our business has been built upon two foundational pillars: automotive insurance claims and automotive collision repair. For decades we have delivered leading software solutions to both the insurance and repair industries, including pioneering Direct Repair Programs ("DRP") in the U.S. beginning in 1992. DRP connects auto insurers and collision repair shops to create business value for both parties, and requires digital tools to facilitate interactions and manage partner programs. Insurer-to-shop DRP connections have created a strong network effect for CCC's platform, as insurers and repairers both benefit by joining the largest network to maximize opportunities. This has led to a virtuous cycle in which more insurers on the platform drives more value for the collision shops on the platform, and vice versa.

We believe we have become a leading insurance and repair SaaS provider in the U.S. by increasing the depth and breadth of our SaaS offerings over many years. Our insurance solutions help insurance carriers manage mission-critical workflows across the claims lifecycle, while building intelligent experiences for their customers. Our software integrates seamlessly with both legacy and modern systems and enables insurers to rapidly innovate on our platform. Our repair solutions help collision repair facilities achieve better performance throughout the collision repair cycle by digitizing processes to drive business growth, streamline operations, and improve repair quality. We have more than 300 insurers on our network, connecting with more than 30,500 repair facilities through our multi-tenant cloud platform. We believe our software is the architectural backbone of insurance DRP systems and is a primary driver of material revenue for our collision repair shop customers and a source of material efficiencies for our insurance carrier customers.

Our platform is designed to solve the "many-to-many" problem faced by the insurance economy. There are numerous internally and externally developed insurance software solutions in the market today, with the vast majority of applications focused on insurance-only use cases and not on serving the broader insurance ecosystem. We have prioritized building a leading network around our automotive insurance and collision repair pillars to further digitize interactions and maximize value for our customers. We have tens of thousands of companies on our platform that participate in the insurance economy, including insurers, repairers, parts suppliers, and automotive manufacturers. Our solutions create value for each of these parties by connecting them with our vast network to collaborate with other companies, streamline operations, and reduce processing costs and dollars lost through claims management inefficiencies, or claims leakage. Expanding our platform has added new layers of network effects, further accelerating the adoption of our software solutions.

We have processed more than \$2 trillion of historical data across our network, allowing us to build proprietary data assets that leverage insurance claims, vehicle repair, automotive parts and other vehicle-specific information. We believe we are uniquely positioned to provide data-driven insights, analytics, and AI-enhanced workflows that strengthen our solutions and improve business outcomes for our customers. Our AI solutions streamline existing insurance and repair processes including vehicle damage detection, claim triage, claim handling, repair estimating, intelligent claim review, and claim subrogation. We deliver real-world AI with more than 100 U.S. auto insurers and more than 10,000 U.S. collision repairers actively using AI-powered solutions in production environments.

One of the primary obstacles facing the insurance economy is increasing complexity which is driven by technological advancements, supply-chain disruption, social inflation, medical inflation, and Internet-of-Things data. We believe digitization plays a critical role in managing this growing complexity while meeting consumer expectations. Our technology investments are focused on digitizing complex processes and interactions across our ecosystem, and we believe we are well positioned to power the insurance economy of the future with our data, network, and platform.

While our position in the insurance economy is grounded in the automotive insurance sector, the largest property and casualty ("P&C") insurance sector in the U.S. representing nearly half of P&C Direct Written Premium ("DWP"), we believe our integrations and cloud platform are capable of driving innovation across the broader insurance economy. Our customers are increasingly looking for CCC to expand its solutions to other parts of their business where they can benefit from our technology, service, and partnership. In response, we are investing in new solutions that we believe will enable us to digitize the entire automotive claims lifecycle, and over time expand into adjacencies including other insurance lines. For example, CCC's acquisition of EvolutionIQ, Inc. ("EvolutionIQ") in January 2025 added claims solutions in disability and workers' compensation insurance lines to CCC's solution suite.

We have strong customer relationships in the end-markets we serve, and these relationships are a key component of our success given the long-term nature of our contracts and the interconnectedness of our network. We have customer agreements with more than 300 insurers (including carriers, self-insurers and other entities processing insurance claims), including 27 of the top 30 automotive insurance carriers in the U.S., based on DWP, and hundreds of regional carriers. We have more than 35,000 total customers, including more than 30,500 automotive collision repair facilities (including repairers and other entities that estimate damaged vehicles), more than 6,000 parts suppliers, 13 of the top 15 automotive manufacturers based on new vehicle sales, and numerous other companies that participate in the insurance economy.

Key Performance Measures and Operating Metrics

In addition to our GAAP and non-GAAP financial measures, we rely on Software Net Dollar Retention Rate ("Software NDR") and Software Gross Dollar Retention Rate ("Software GDR") to measure and evaluate our business to make strategic decisions. Software NDR and Software GDR may not be comparable to or calculated in the same way as other similarly titled measures used by other companies.

Software NDR

We believe that Software NDR provides our management and our investors with insight into our ability to retain and grow revenue from our existing customers, as well as their potential long-term value to us. We also believe the results shown by this metric reflect the stability of our revenue base, which is one of our core competitive strengths. We calculate Software NDR by dividing (a) annualized software revenue recorded in the last month of the measurement period, for example, March for a quarter ending March 31, for unique billing accounts that generated revenue during the corresponding month of the prior year by (b) annualized software revenue as of the corresponding month of the prior year. The calculation includes changes for these billing accounts, such as changes in the solutions purchased, changes in pricing and transaction volume, but does not reflect revenue for new customers added. The calculation excludes: (a) changes in estimates related to the timing of one-time revenue and other revenue, including professional services, and (b) annualized software revenue for smaller customers with annualized software revenue below the threshold of \$100,000 for carriers and \$4,000 for shops. The customers that do not meet the revenue threshold are small carriers and shops that tend to have different buying behaviors, with a narrower solution focus, and different tenure compared to our core customers (excluded small carriers and shops represent less than 5% of total revenue within these sales channels). Our Software NDR includes carriers and shops who subscribe to our auto physical damage solutions, which account for most of the Company's revenue, and excludes revenue from smaller emerging solutions with international subsidiaries or other ecosystem solutions, such as parts suppliers and other automotive manufacturers, and also excludes CCC casualty solutions which are largely usage and professional service based.

Beginning with the quarter ended March 31, 2025, our Software NDR calculation includes EvolutionIQ's software revenue. The new calculation is a result of the acquisition of EvolutionIQ and not the result of a change in the methodology applicable to our pre-acquisition business. The calculation of Software NDR as of and following the quarter ended March 31, 2025 is consistent with the methodology described above, using Software NDR on a combined company basis for the prior year annualized software revenue to determine annualized revenue growth, and, with respect to EvolutionIQ's software revenue, excludes (a) changes in estimates related to the timing of one-time revenue and other revenue, including professional services, and (b) annualized software revenue for smaller customers with annualized software revenue below the threshold of \$100,000 for carriers (with shops not applicable to the EvolutionIQ business).

	Quarter Ending	2025	2024
Software NDR	March 31	107%	107%
	June 30	107%	107%
	September 30		106%
	December 31		105%

Software GDR

We believe that Software GDR provides our management and our investors with insight into the value our solutions provide to our customers as represented by our ability to retain our existing customer base. We believe the results shown by this metric reflect the strength and stability of our revenue base, which is one of our core competitive strengths. We calculate Software GDR by dividing (a) annualized software revenue recorded in the last month of the measurement period in the prior year, reduced by annualized software revenue for unique billing accounts that are no longer customers as of the current period end by (b) annualized software revenue as of the corresponding month of the prior year. The calculation reflects only customer losses and does not reflect customer expansion or contraction for these billing accounts and does not reflect revenue for new customer billing accounts added. Our Software GDR calculation represents our annualized software revenue that is retained from the prior year and demonstrates that the vast majority of our customers continue to use our solutions and renew their subscriptions. The calculation excludes: (a) changes in estimates related to the timing of one-time revenue and other revenue, including professional services, and (b) annualized software revenue for smaller customers with annualized software revenue below the threshold of \$100,000 for carriers and \$4,000 for shops. The customers that do not meet the revenue threshold are small carriers and shops that tend to have different buying behaviors, with a narrower solution focus, and different tenure compared to our core customers (excluded small carriers and shops which represent less than 5% of total revenue within these sales channels). Our Software GDR includes carriers and shops who subscribe to our auto physical damage solutions, which account for most of the Company's revenue, and excludes revenue from smaller emerging solutions with international subsidiaries or other ecosystem solutions, such as parts suppliers and other automotive manufacturers, and excludes CCC casualty solutions which are largely usage and professional service based.

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	Quarter Ending	2025	2024
Software GDR	March 31	99%	99%
	June 30	99%	99%
	September 30		99%
	December 31		99%

Results of Operations

Comparison of the three months ended June 30, 2025 to the three months ended June 30, 2024

(dollar amounts in thousands, except share and per share data)	Three Months Ended June 30,		\$	%
	2025	2024		
Revenues	\$ 260,451	\$ 232,618	\$ 27,833	12.0%
Cost of revenues, exclusive of amortization of acquired technologies	62,067	53,231	8,836	16.6%
Amortization of acquired technologies	4,368	2,090	2,278	109.0%
Cost of revenues ⁽¹⁾	66,435	55,321	11,114	20.1%
Gross profit	194,016	177,297	16,719	9.4%
Operating expenses:				
Research and development ⁽¹⁾	59,929	49,253	10,676	21.7%
Selling and marketing ⁽¹⁾	43,475	36,321	7,154	19.7%
General and administrative ⁽¹⁾	47,630	51,268	(3,638)	-7.1%
Amortization of intangible assets	18,512	17,942	570	3.2%
Total operating expenses	169,546	154,784	14,762	9.5%
Operating income	24,470	22,513	1,957	8.7%
Other (expense) income:				
Interest expense	(17,836)	(16,602)	(1,234)	-7.4%
Interest income	1,220	2,625	(1,405)	-53.5%
Change in fair value of warrant liabilities	—	15,963	(15,963)	-100.0%
Other (expense) income—Net	(2,057)	1,253	(3,310)	NM
Total other (expense) income	(18,673)	3,239	(21,912)	NM
Pretax income	5,797	25,752	(19,955)	-77.5%
Income tax benefit (provision)	7,163	(4,307)	11,470	NM
Net income including non-controlling interest	12,960	21,445	(8,485)	-39.6%
Less: accretion of redeemable non-controlling interest	—	(1,221)	1,221	100.0%
Net income attributable to CCC Intelligent Solutions Holdings Inc. common stockholders	\$ 12,960	\$ 20,224	\$ (7,264)	-35.9%
Net income per share attributable to common stockholders:				
Basic	\$ 0.02	\$ 0.03		
Diluted	\$ 0.02	\$ 0.03		

Weighted-average shares used in computing net income per share attributable to common stockholders:

Basic	637,578,033	609,997,114
Diluted	660,622,703	638,367,745

NM—Not Meaningful

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

	Three Months Ended June 30,	
	2025	2024
Cost of revenues	\$ 4,110	\$ 2,672
Research and development	14,535	11,515
Sales and marketing	12,522	6,785
General and administrative	14,808	19,153
Total stock-based compensation expense	\$ 45,975	\$ 40,125

Revenues

Revenues increased by \$27.8 million to \$260.5 million, or 12.0%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The Company's software subscription revenues accounted for \$250.6 million and \$223.0 million, or 96% of total revenue, during the three months ended June 30, 2025 and 2024.

The increase in revenue was primarily a result of 5% growth from existing customer upgrades and expanding solution offerings to these existing customers, 4% growth from the acquisition of EvolutionIQ, and 3% growth from new customers.

Cost of Revenues

Cost of revenues increased by \$11.1 million to \$66.4 million, or 20.1%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024.

Cost of Revenues, exclusive of amortization of acquired technologies

Cost of revenues, exclusive of amortization of acquired technologies, increased by \$8.8 million to \$62.1 million, or 16.6%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The increase was primarily due to a \$4.1 million increase in depreciation expense related to additional investments in new and enhanced customer solutions and platform development, a \$3.5 million increase in personnel-related costs, including a \$1.4 million increase in stock-based compensation, partially due to the acquisition of EvolutionIQ in January 2025, and a \$1.3 million increase in third party fees and direct costs associated with our revenue growth.

Amortization of Acquired Technologies

Amortization of acquired technologies increased \$2.3 million to \$4.4 million for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The increase was due to the amortization of new acquired technology recognized as part of the acquisition of EvolutionIQ in January 2025.

Gross Profit

Gross profit increased by \$16.7 million to \$194.0 million, or 9.4%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. Our gross profit margin was 74.5% for the three months ended June 30, 2025, compared to 76.2% for the three months ended June 30, 2024. The increase in gross profit was due to increased software subscription revenues and economies of scale resulting from fixed cost arrangements, including the impacts from the acquisition of EvolutionIQ in January 2025.

Research and Development

Research and development expense increased by \$10.7 million to \$59.9 million, or 21.7%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The increase was primarily due to a \$14.1 million increase in personnel and resource related costs, including a \$3.0 million increase in stock-based compensation, primarily due to the acquisition of EvolutionIQ in January 2025, partially offset by a \$3.7 million decrease in information technology ("IT") related costs.

Selling and Marketing

Selling and marketing expense increased by \$7.2 million to \$43.5 million, or 19.7%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The increase was due to an \$6.2 million increase in personnel-related costs, including a \$5.7 million increase in stock-based compensation. The increases were primarily the result of the acquisition of EvolutionIQ in January 2025.

General and Administrative

General and administrative expense decreased by \$3.6 million to \$47.6 million, or 7.1%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The decrease was primarily due to a \$4.3 million decrease in stock-based compensation and a \$1.8 million decrease in professional service costs, partially offset by a \$1.8 million increase in personnel-related costs and a \$0.4 million increase in IT and communication related costs.

Amortization of Intangible Assets

Amortization of intangible assets was \$18.5 million and \$17.9 million for the three months ended June 30, 2025 and 2024, respectively. The increase in amortization of intangible assets was due to the intangible assets recognized as part of the acquisition of EvolutionIQ in January 2025.

Interest Expense

Interest expense increased by \$1.2 million to \$17.8 million, or 7.4%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024. The increase was due to the additional interest incurred on the Promissory Note payable by CCC Cayman and its subsidiaries to a minority investor and the interest incurred on an additional \$225.0 million term loan as part of the third amendment to the 2021 Credit Agreement, entered into in January 2025, partially offset by lower variable interest rates during the three months ended June 30, 2025.

Interest Income

Interest income decreased by \$1.4 million to \$1.2 million, or 53.5%, for the three months ended June 30, 2025, compared to the three months ended June 30, 2024, mainly due to lower average balances on interest earning deposits and money market funds during the three months ended June 30, 2025.

Change in Fair Value of Warrant Liabilities

Due to the redemption of all outstanding warrants in May 2024, the Company did not recognize any income or expense as a change in fair value of warrant liabilities during the three months ended June 30, 2025. We recognized income of \$16.0 million for the three months ended June 30, 2024. The change in fair value of warrant liabilities during the three months ended June 30, 2024 was primarily due to changes in the price of the Company's common stock during the reporting period.

Other (Expense) Income—Net

We recognized other expense—Net of \$2.1 million for the three months ended June 30, 2025 compared to other income—Net of \$1.3 million for the three months ended June 30, 2024. The expense recognized during the three months ended June 30, 2025 was primarily due to the decrease in the fair value of derivative instruments.

Income Tax Benefit (Provision)

The Company recognized an income tax benefit of \$7.2 million and an income tax provision of \$4.3 million for the three months ended June 30, 2025 and 2024, respectively. The income tax benefit during the three months ended June 30, 2025 was primarily due to the Company's year-to-date pre-tax book loss.

Comparison of the six months ended June 30, 2025 to the six months ended June 30, 2024

(dollar amounts in thousands, except share and per share data)	Six Months Ended June 30,		\$	%
	2025	2024		
Revenue	\$ 512,016	\$ 459,855	\$ 52,161	11.3%
Cost of revenue, exclusive of amortization of acquired technologies	124,271	106,038	18,233	17.2%
Amortization of acquired technologies	8,737	8,657	80	0.9%
Cost of revenues ⁽¹⁾	133,008	114,695	18,313	16.0%
Gross profit	379,008	345,160	33,848	9.8%
Operating expenses:				
Research and development ⁽¹⁾	121,692	98,730	22,962	23.3%
Selling and marketing ⁽¹⁾	91,772	71,907	19,865	27.6%
General and administrative ⁽¹⁾	114,748	108,329	6,419	5.9%
Amortization of intangible assets	37,024	35,884	1,140	3.2%
Total operating expenses	365,236	314,850	50,386	16.0%
Operating income	13,772	30,310	(16,538)	-54.6%
Other (expense) income:				
Interest expense	(34,763)	(33,054)	(1,709)	-5.2%
Interest income	3,168	5,092	(1,924)	-37.8%
Change in fair value of warrant liabilities	—	14,378	(14,378)	-100.0%
Other (expense) income—Net	(7,154)	4,191	(11,345)	NM
Total other expense	(38,749)	(9,393)	(29,356)	-312.5%
Pretax (loss) income	(24,977)	20,917	(45,894)	NM
Income tax benefit (provision)	20,516	(69)	20,585	NM
Net income (loss) including non-controlling interest	(4,461)	20,848	(25,309)	NM
Less: accretion of redeemable non-controlling interest	(1,276)	(2,363)	1,087	46.0%
Net (loss) income attributable to CCC Intelligent Solutions Holdings Inc. Common Stockholders	\$ (5,737)	\$ 18,485	\$ (24,222)	NM
Net (loss) income per share attributable to common stockholders:				
Basic	\$ (0.01)	\$ 0.03		
Diluted	\$ (0.01)	\$ 0.03		
Weighted-average shares used in computing net (loss) income per share attributable to common stockholders:				
Basic	637,207,185	604,138,246		
Diluted	637,207,185	636,990,633		

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

	Six Months Ended June 30,	
	2025	2024
Cost of revenues	\$ 6,795	\$ 4,754
Research and development	32,136	22,586
Sales and marketing	25,650	12,513
General and administrative	42,442	45,243
Total stock-based compensation expense	\$ 107,023	\$ 85,096

Revenues

Revenues increased by \$52.2 million to \$512.0 million, or 11.3%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. The Company's software subscription revenues accounted for \$493.1 million and \$441.1 million, or 96% of total revenue during the six months ended June 30, 2025 and 2024.

The increase in revenue was primarily a result of 4% growth from existing customer upgrades and expanding solution offerings to these existing customers, 4% growth from the acquisition of EvolutionIQ, and 3% growth from new customers.

Cost of Revenues

Cost of revenues increased by \$18.3 million to \$133.0 million, or 16.0%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024.

Cost of Revenues, exclusive of amortization of acquired technologies

Cost of revenues, exclusive of amortization of acquired technologies, increased by \$18.2 million to \$124.3 million, or 17.2%, for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The increase was primarily due to a \$7.9 million increase in depreciation expense related to additional investments in new and enhanced customer solutions and platform development, a \$5.9 million increase in personnel-related costs, including a \$2.0 million increase in stock-based compensation, partially due to the acquisition of EvolutionIQ in January 2025, and a \$3.4 million increase in third party fees and direct costs associated with our revenue growth.

Amortization of Acquired Technologies

Amortization of acquired technologies was \$8.7 million for the six months ended June 30, 2025 and 2024. The amortization recognized on acquired technologies as part of the acquisition of EvolutionIQ in January 2025 was offset by certain acquired technology intangible assets reaching the end of their useful life in April 2024.

Gross Profit

Gross profit increased by \$33.8 million to \$379.0 million, or 9.8%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. Our gross profit margin was 74.0% for the six months ended June 30, 2025, compared to 75.1% for the six months ended June 30, 2024. The increase in gross profit was due to increased software subscription revenues and economies of scale resulting from fixed cost arrangements.

Research and Development

Research and development expense increased by \$23.0 million to \$121.7 million, or 23.3%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. The increase was primarily due to a \$27.8 million increase in personnel and resource related costs, including a \$9.6 million increase in stock-based compensation, primarily due to the acquisition of EvolutionIQ in January 2025, partially offset by a \$4.1 million decrease in IT related costs.

Selling and Marketing

Selling and marketing expense increased by \$19.9 million to \$91.8 million, or 27.6%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. The increase was primarily due to a \$18.5 million increase in personnel-related costs, including a \$13.1 million increase in stock-based compensation. The increases were primarily the result of the acquisition of EvolutionIQ in January 2025.

General and Administrative

General and administrative expense increased by \$6.4 million to \$114.7 million, or 5.9%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. The increase was primarily due to a \$7.4 million increase in professional service costs, mainly due to the acquisition of EvolutionIQ in January 2025, and a \$2.6 million increase in personal-related costs, partially offset by a \$2.8 million decrease in stock-based compensation.

Amortization of Intangible Assets

Amortization of intangible assets was \$37.0 million and \$35.9 million for the six months ended June 30, 2025 and 2024, respectively.

Interest Expense

Interest expense increased by \$1.7 million to \$34.8 million, or 5.2%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024. The increase was due to the additional interest incurred on the Promissory Note payable by CCC Cayman and its subsidiaries to a minority investor and the interest incurred on an additional \$225.0 million term loan as part of the third amendment to the 2021 Credit Agreement, entered into in January 2025, partially offset by lower variable interest rates during the six months ended June 30, 2025.

Interest Income

Interest income decreased by \$1.9 million to \$3.2 million, or 37.8%, for the six months ended June 30, 2025, compared to the six months ended June 30, 2024, due to lower average balances on interest earning deposits and money market funds during the six months ended June 30, 2025.

Change in Fair Value of Warrant Liabilities

Due to the redemption of all outstanding warrants in May 2024, the Company did not recognize any income or expense as a change in fair value of warrant liabilities during the six months ended June 30, 2025. We recognized income of \$14.4 million for the six months ended June 30, 2024. The change in fair value of warrant liabilities during the six months ended June 30, 2024 was primarily due to changes in the price of the Company's common stock during the reporting period.

Other (Expense) Income—Net

We recognized other expense of \$7.2 million for the six months ended June 30, 2025 compared to other income \$4.2 million for the six months ended June 30, 2024. The expense recognized during the six months ended June 30, 2025 was primarily due to the decrease in the fair value of derivative instruments.

Income Tax Benefit (Provision)

The Company recognized an income tax benefit of \$20.5 million and an income tax provision of \$0.1 million for the six months ended June 30, 2025 and 2024, respectively. The income tax benefit during the six months ended June 30, 2025 was primarily due to Company's pre-tax book loss.

Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we believe that Adjusted Gross Profit, Adjusted Operating Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings Per Share, and Free Cash Flow, which are each non-GAAP measures, are useful in evaluating our operational performance. We use this non-GAAP financial information to evaluate our ongoing operations and for internal planning, budgeting and forecasting purposes and setting management bonus programs. We believe that non-GAAP financial information, when taken collectively, may be helpful to investors in assessing our operating performance and comparing our performance with competitors and other comparable companies, which may present similar non-GAAP financial measures to investors. Our computation of these non-GAAP measures may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate these measures in the same fashion. We endeavor to compensate for the limitation of the non-GAAP measure presented by also providing the most directly comparable GAAP measure and a description of the reconciling items and adjustments to derive the non-GAAP measure. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using non-GAAP measures on a supplemental basis.

Adjusted Gross Profit

We believe that Adjusted Gross Profit, as defined below, provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our recurring core business operating results. Adjusted Gross Profit is defined as gross profit, adjusted for amortization of acquired technologies and stock-based compensation and related employer payroll tax, which are not indicative of our recurring core business operating results. Adjusted Gross Profit Margin is defined as Adjusted Gross Profit divided by Revenue.

The following table reconciles Gross Profit to Adjusted Gross Profit for the three and six months ended June 30, 2025 and 2024:

(amounts in thousands, except percentages)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Gross Profit	\$ 194,016	\$ 177,297	\$ 379,008	\$ 345,160
Amortization of acquired technologies	4,368	2,090	8,737	8,657
Stock-based compensation and related employer payroll tax	4,137	2,693	7,238	5,280
Adjusted Gross Profit	<u>\$ 202,521</u>	<u>\$ 182,080</u>	<u>\$ 394,983</u>	<u>\$ 359,097</u>
Gross Profit Margin	74%	76%	74%	75%
Adjusted Gross Profit Margin	78%	78%	77%	77%

Adjusted Operating Expenses

We believe that Adjusted Operating Expenses, as defined below, provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our recurring core business operating results. Adjusted Operating Expenses is defined as operating expenses adjusted for amortization of intangible assets, stock-based compensation expense and related employer payroll tax, costs associated with the acquisition and integration of completed and potential mergers and acquisitions

("M&A"), costs related to equity transactions, including secondary offerings, litigation proceeds and litigation costs for matters in which we are the plaintiff and related antitrust matters and debt refinancing costs.

The following table reconciles operating expenses to Adjusted Operating Expenses for the three and six months ended June 30, 2025 and 2024:

(dollar amounts in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Operating expenses	\$ 169,546	\$ 154,784	\$ 365,236	\$ 314,850
Amortization of intangible assets	(18,512)	(17,942)	(37,024)	(35,884)
Stock-based compensation expense and related employer payroll tax	(42,121)	(38,075)	(104,939)	(85,520)
M&A and integration costs	(348)	—	(7,967)	(477)
Equity transaction costs, including secondary offerings	(165)	(1,046)	(452)	(1,738)
Litigation (costs) proceeds, net	(125)	(1,624)	3,665	(2,200)
Debt refinancing costs	—	—	(3,119)	—
Adjusted Operating Expenses	<u>\$ 108,275</u>	<u>\$ 96,097</u>	<u>\$ 215,400</u>	<u>\$ 189,031</u>

Adjusted Operating Income

We believe that Adjusted Operating Income, as defined below, provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our recurring core business operating results. Adjusted Operating Income is defined as operating income adjusted for amortization of intangible assets and acquired technologies, stock-based compensation expense and related employer payroll tax, costs associated with the acquisition and integration of completed and potential M&A, costs related to equity transactions, including secondary offerings, litigation proceeds and litigation costs for matters in which we are the plaintiff and related antitrust matters and debt refinancing costs.

The following table reconciles operating income to Adjusted Operating Income for the three and six months ended June 30, 2025 and 2024:

(dollar amounts in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Operating income	\$ 24,470	\$ 22,513	\$ 13,772	\$ 30,310
Amortization of intangible assets	18,512	17,942	37,024	35,884
Amortization of acquired technologies—Cost of revenue	4,368	2,090	8,737	8,657
Stock-based compensation expense and related employer payroll tax	46,258	40,768	112,177	90,800
M&A and integration costs	348	—	7,967	477
Equity transaction costs, including secondary offerings	165	1,046	452	1,738
Litigation costs (proceeds), net	125	1,624	(3,665)	2,200
Debt refinancing costs	—	—	3,119	—
Adjusted Operating Income	<u>\$ 94,246</u>	<u>\$ 85,983</u>	<u>\$ 179,583</u>	<u>\$ 170,066</u>

Adjusted EBITDA

We believe that Adjusted EBITDA, as defined below, is useful in evaluating our operational performance distinct and apart from financing costs, certain expenses and non-operational expenses. Adjusted EBITDA is defined as net income (loss) adjusted for interest, taxes, amortization of intangible assets and acquired technologies, depreciation, stock-based compensation expense and related employer payroll tax, costs associated with the acquisition and integration of completed and potential M&A, costs related to equity transactions, including secondary offerings, litigation proceeds and litigation costs for matters in which we are the plaintiff and related antitrust matters, debt refinancing costs, change in fair value of derivative instruments, income from derivative instruments and change in fair value of warrant liabilities. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Revenue.

The following table reconciles net income (loss) to Adjusted EBITDA for the three and six months ended June 30, 2025 and 2024:

(dollar amounts in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 12,960	\$ 21,445	\$ (4,461)	\$ 20,848
Interest expense	17,836	16,602	34,763	33,054
Interest income	(1,220)	(2,625)	(3,168)	(5,092)
Income tax provision (benefit)	(7,163)	4,307	(20,516)	69
Amortization of intangible assets	18,512	17,942	37,024	35,884
Amortization of acquired technologies—Cost of revenue	4,368	2,090	8,737	8,657
Depreciation and amortization of software, equipment and property	2,231	2,299	4,495	4,164
Depreciation and amortization of software, equipment and property— Cost of revenue	11,548	7,418	22,878	14,996
Stock-based compensation expense and related employer payroll tax	46,258	40,768	112,177	90,800
M&A and integration costs	348	—	7,967	477
Equity transaction costs, including secondary offerings	165	1,046	452	1,738
Litigation costs (proceeds), net	125	1,624	(3,665)	2,200
Debt refinancing costs	—	—	3,119	—
Change in fair value of derivative instruments	2,640	852	8,381	134
Income from derivative instruments	(492)	(2,008)	(989)	(4,039)
Change in fair value of warrant liabilities	—	(15,963)	—	(14,378)
Adjusted EBITDA	<u>\$ 108,116</u>	<u>\$ 95,797</u>	<u>\$ 207,194</u>	<u>\$ 189,512</u>
Adjusted EBITDA Margin	42%	41%	40%	40%

Adjusted Net Income and Adjusted Earnings Per Share

We believe that Adjusted Net Income, as defined below, and Adjusted Earnings Per Share are useful in evaluating our operational performance distinct and apart from financing costs, certain expenses and non-operational expenses. Adjusted Net Income is defined as net income (loss) adjusted for the after-tax effects of amortization of intangible assets and acquired technologies, stock-based compensation expense and related employer payroll tax, costs associated with the acquisition and integration of completed and potential M&A, costs related to equity transactions, including secondary offerings, litigation proceeds and litigation costs for matters in which we are the plaintiff and related antitrust matters, debt refinancing costs, change in fair value of derivative instruments, and change in fair value of warrant liabilities.

The following table reconciles net income (loss) to Adjusted Net Income and Adjusted Earnings Per Share for the three and six months ended June 30, 2025 and 2024:

(dollar amounts in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 12,960	\$ 21,445	\$ (4,461)	\$ 20,848
Amortization of intangible assets	18,512	17,942	37,024	35,884
Amortization of acquired technologies—Cost of revenue	4,368	2,090	8,737	8,657
Stock-based compensation expense and related employer payroll tax	46,258	40,768	112,177	90,800
M&A and integration costs	348	—	7,967	477
Equity transaction costs, including secondary offerings	165	1,046	452	1,738
Litigation costs (proceeds), net	125	1,624	(3,665)	2,200
Debt refinancing costs	—	—	3,119	—
Change in fair value of derivative instruments	2,640	852	8,381	134
Change in fair value of warrant liabilities	—	(15,963)	—	(14,378)
Tax effect of adjustments	(26,521)	(13,618)	(56,394)	(35,384)
Adjusted Net Income	\$ 58,855	\$ 56,186	\$ 113,337	\$ 110,976
Adjusted Net Income Per Share attributable to common stockholders:				
Basic	\$ 0.09	\$ 0.09	\$ 0.18	\$ 0.18
Diluted	\$ 0.09	\$ 0.09	\$ 0.17	\$ 0.17
Weighted average shares outstanding:				
Basic	637,578,033	609,997,114	637,207,185	604,138,246
Diluted	660,622,703	638,367,745	666,130,181	636,990,633

Free Cash Flow

We believe that Free Cash Flow, as defined below, provides meaningful supplemental information regarding our ability to generate cash and fund our operations and capital expenditures. Free Cash Flow is defined as net cash provided by operating activities less cash used for the purchases of software, equipment, and property.

The following table reconciles net cash provided by operating activities to Free Cash Flow for the three and six months ended June 30, 2025 and 2024:

(dollar amounts in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net cash provided by operating activities	\$ 43,056	\$ 51,774	\$ 101,548	\$ 107,009
Purchases of software, equipment, and property	(15,703)	(15,561)	(30,549)	(31,224)
Free Cash Flow	\$ 27,353	\$ 36,213	\$ 70,999	\$ 75,785

Liquidity and Capital Resources

We have financed our operations with cash flows from operations. The Company generated \$101.5 million of cash flows from operating activities during the six months ended June 30, 2025. As of June 30, 2025, the Company had cash and cash equivalents of \$55.1 million, a working capital surplus of \$77.2 million and an accumulated deficit totaling \$1,272.2 million. As of June 30, 2025, the Company had \$996.0 million aggregate principal outstanding on its term loan.

We believe that our existing cash and cash equivalents, our cash flows from operating activities and our borrowing capacity under our 2021 Revolving Credit Facility will be sufficient to fund our operations, fund required long-term debt repayments and meet our commitments for capital expenditures for at least the next twelve months.

Although we are not currently a party to any material definitive agreement regarding potential investments in, or acquisitions of, complementary businesses, applications or technologies, we may enter into these types of arrangements, which could reduce our cash and cash equivalents or require us to seek additional equity or debt financing. Additional funds from financing arrangements may not be available on terms favorable to us or at all.

Debt

On September 21, 2021, CCC Intelligent Solutions Inc., an indirect wholly owned subsidiary of the Company, together with certain of the Company's subsidiaries acting as guarantors entered into a credit agreement (as amended, the "2021 Credit Agreement").

The 2021 Credit Agreement originally consisted of an \$800.0 million term loan, the proceeds of which, with cash on hand, were used to repay all outstanding borrowings under the Company's previous credit agreement.

On January 6, 2025, in conjunction with the acquisition of EvolutionIQ, the Company entered into the third amendment to the 2021 Credit Agreement (the "Third Amendment") that provided the Company with incremental term loans in an aggregate principal amount of \$225.0 million (the "Incremental Term Loans"). Prior to the Fourth Amendment (as defined below) the Incremental Term Loans were repayable in quarterly installments in an amount equal to 0.25% of the original principal amount, with the balance payable at maturity, September 21, 2028.

Prior to the Fourth Amendment, the interest rate per annum applicable to the Incremental Term Loans were based on a fluctuating rate of interest, determined by the Company's leverage ratio, as defined in the 2021 Credit Agreement, as amended. In connection with the Fourth Amendment, the Incremental Term Loans were refinanced together with other term loans outlined in the following paragraphs.

On January 23, 2025, the Company entered into the fourth amendment (the "Fourth Amendment" and together with the Third Amendment, the "Amendments") to the 2021 Credit Agreement.

Pursuant to the terms of the Fourth Amendment, the Company incurred incremental term loans in an aggregate principal amount of \$225.0 million, which were used to (i) refinance certain outstanding incremental term loans (including the Incremental Term Loans), (ii) extend the maturity of all term loans to January 23, 2032, (iii) remove the credit spread adjustment applicable to Secured Overnight Financing Rate ("SOFR") loans, and (iv) reduce the interest rate margin applicable to all term loans.

All other terms and conditions within the Company's 2021 Credit Agreement were unchanged as part of the Amendments.

Upon execution of the Fourth Amendment, the Company had outstanding borrowings under a term loan of \$1,001.0 million (the "Term Loan") and a revolving credit facility for an aggregate principal amount of \$250.0 million (the "2021 Revolving Credit Facility" and together with the Term Loan, the "2021 Credit Facilities").

The Term Loan requires quarterly principal payments of approximately \$2.5 million until December 31, 2031, with the remaining outstanding principal amount required to be paid on the maturity date. If the Company's leverage ratio, as defined in the 2021 Credit Agreement is greater than 3.5, the Term Loan requires a prepayment of principal, subject to certain exceptions, in connection with the receipt of proceeds from certain asset sales, casualty events, and debt issuances by the Company, and up to 50% of annual excess cash flow, as defined in and as further set forth in the 2021 Credit Agreement. When a principal prepayment is required, the prepayment offsets the future quarterly principal payments of the same amount. As of December 31, 2024, the Company's leverage ratio did not exceed the 3.5 threshold and the Company was not subject to the annual excess cash flow calculation, and as such, not required to make a prepayment of principal.

As of June 30, 2025, the amount outstanding on the Term Loan was \$996.0 million, of which, \$10.0 million is classified as current.

Borrowings under the 2021 Credit Facilities bear interest at rates based on the ratio of CCC Intelligent Solutions Inc. and certain of its subsidiaries' consolidated first lien net indebtedness to consolidated EBITDA for applicable periods specified in the 2021 Credit Agreement.

Pursuant to the Fourth Amendment, the interest rate per annum applicable to the Term Loan is based on a fluctuating rate of interest equal to the sum of an applicable rate and, at the Company's election from time to time, either:

- (1) 1.00% in the case of base rate loans, and 2.00% in the case of SOFR (or the Euro Interbank Offer Rate ("EURIBOR") or the Sterling Overnight Indexed Average ("SONIA")) loans, if S&P and Moody's Debt First Lien Leverage Ratio Ratings (as defined in the Credit Agreement) are below BB- (with a stable outlook) or below Ba3 (with a stable outlook) (or if for any reason this category does not apply, including if the Borrower has only one Debt Rating or the Borrower does not have any Debt Rating), and
- (2) 0.75%, in the case of base rate loans, and 1.75%, in the case of SOFR (or EURIBOR or SONIA) loans, if S&P and Moody's Debt First Lien Leverage Ratio Ratings are both BB- (with a stable outlook) or better and Ba3 (with a stable outlook) or better.

Prior to the Amendments, the interest rate per annum applicable to the loans is based on a fluctuating rate of interest equal to the sum of an applicable rate and term SOFR (other than with respect to Euros, the EURIBOR and with respect to British Pounds Sterling, SONIA) with a term, as selected by the Company, of one, three or six months (subject to (x) in the case of term loans, a 0.50% per annum floor and (y) in the case of revolving loans, a 0.00% per annum floor.

In September 2024, the Company entered into Amendment No. 2 to the 2021 Credit Agreement (the "Second Amendment") to (i) remove the SOFR credit adjustment applicable to the 2021 Revolving Credit Facility and (ii) reduce the applicable interest rate for the 2021 Revolving Credit Facility by 0.25%. Additionally, the maturity date for the 2021 Revolving Credit Facility was extended to September 23, 2029.

A quarterly commitment fee of up to 0.50% is payable on the unused portion of the 2021 Revolving Credit Facility.

During the three months ended June 30, 2025 and 2024, the weighted-average interest rate on the outstanding borrowings under the Term Loan was 6.4% and 7.8%, respectively.

During the six months ended June 30, 2025 and 2024, the weighted-average interest rate on the outstanding borrowings under the Term Loan was 6.3% and 7.8%, respectively.

The Company has outstanding standby letters of credit for \$1.1 million which reduces the amount available to be borrowed under the 2021 Revolving Credit Facility. As of June 30, 2025, \$248.9 million was available to be borrowed under the 2021 Revolving Credit Facility.

The terms of the 2021 Credit Agreement include a financial covenant which requires that, at the end of each fiscal quarter, if the aggregate amount of borrowings under the 2021 Revolving Credit Facility exceeds 35% of the aggregate commitments of the Company, the leverage ratio of CCC Intelligent Solutions Inc. and certain of its subsidiaries cannot exceed 6.25 to 1.00. Borrowings under the 2021 Revolving Credit Facility did not exceed 35% of the aggregate commitments and the Company was not subject to the leverage test as of June 30, 2025.

Interest Rate Swaps—During the three months ended March 31, 2025, the Company entered into three interest rate swap agreements (the "Swaps") to reduce its exposure to variability from future cash flows resulting from interest rate risk related to its floating rate long-term debt. Pursuant to the terms of the Swaps, beginning on July 31, 2025, the Company will pay an average fixed interest rate of 3.94% on an aggregate notional amount corresponding to borrowings of \$750.0 million in exchange for receipts on the same notional amount at a floating interest rate based on the applicable SOFR at the time of payment. The Swaps expire on July 31, 2027.

Interest Rate Caps—In August 2022, the Company entered into two interest rate cap agreements, as amended, to reduce its exposure to increases in interest rates applicable to its floating rate long-term debt. The amended interest rate cap agreements have an aggregate notional amount of \$600.0 million and a one-month SOFR cap rate of 4.00% through their expiration in July 2025.

Cash Flows

The following table provides a summary of cash flow data for the six months ended June 30, 2025 and 2024:

(dollar amounts in thousands)	Six Months Ended June 30,	
	2025	2024
Net cash provided by operating activities	\$ 101,548	\$ 107,009
Net cash used in investing activities	(445,682)	(31,224)
Net cash provided by (used in) financing activities	167	(33,328)
Net effect of exchange rate change	37	(136)
Change in cash and cash equivalents	\$ (343,930)	\$ 42,321

Net cash provided by operating activities was \$101.5 million for the six months ended June 30, 2025. Net cash provided by operating activities consists of a net loss of \$4.5 million, adjusted for \$169.8 million of non-cash items, (\$57.2) million for changes in working capital and (\$6.5) million for the effect of changes in other operating assets and liabilities. Significant non-cash adjustments include stock-based compensation expense of \$107.0 million, depreciation and amortization of \$73.1 million and a change in fair value of derivative instruments of \$8.4 million, partially offset by deferred income taxes of \$20.5 million. The change in working capital was primarily the result of a change in income taxes of \$27.8 million due to timing of payments, an increase in accounts receivable of \$25.5 million, and a decrease in accrued expenses of \$9.2 million due to employee incentive plan payments, partially offset by an increase in deferred revenue of \$4.8 million.

Net cash used in investing activities was \$445.7 million for the six months ended June 30, 2025. Net cash used in investing activities was due to \$415.1 million used for the acquisition of EvolutionIQ and \$30.5 million of capitalized internally developed software projects and purchases of software, equipment, and property.

Net cash provided by financing activities was \$0.2 million for the six months ended June 30, 2025. Net cash provided by financing activities was primarily due \$225.0 million of an incremental term loan used for the acquisition of EvolutionIQ, partially offset by \$172.5 million for a repurchase of common stock, \$44.4 million of payments for employee tax liabilities related to the net share settlement of employee equity awards, \$6.6 million of payments for fees associated with a debt modification and \$5.0 million of principal payments of long-term debt.

Recent Accounting Pronouncements

See Note 2 to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for more information about recent accounting pronouncements, the timing of their adoption, and our assessment, to the extent we have made one, of their potential impact on our financial condition and our results of operations.

Critical Accounting Estimates

Our condensed consolidated financial statements are prepared in accordance with GAAP. The preparation of these financial statements requires our management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, and expenses and related disclosures. Our estimates are based on our historical experience, trends and various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these judgments and estimates under different assumptions or conditions and any such differences may be material.

Except as described below, there have been no material changes to our critical accounting estimates as compared to the critical accounting policies and estimates disclosed in our audited consolidated financial statements and notes thereto for the year ended December 31, 2024 in our Annual Report on Form 10-K.

Business Combinations

The results of a business acquired in a business combination are included in our condensed consolidated financial statements as of the date of the acquisition. Purchase accounting results in assets and liabilities of an acquired business being recorded at their estimated fair values on the acquisition date, which may be considered preliminary and subject to adjustment during the measurement period, which is up to one year from the acquisition date. Any excess consideration over the fair value of assets acquired and liabilities assumed is recognized as goodwill.

We perform valuations of assets acquired and liabilities assumed and allocate the purchase price to the respective assets and liabilities. Determining the fair value of assets acquired and liabilities assumed requires significant judgment and estimates, including the selection of valuation methodologies, estimates of future revenue, costs and cash flows, discount rates, royalty rates, and selection of comparable companies. We engage third-party valuation specialists to assist in concluding on fair value measurements in connection with determining fair values of assets acquired and liabilities assumed in a business combination. The resulting fair values and useful lives assigned to acquisition-related intangible assets impact the amount and timing of future amortization expense.

These estimates are inherently uncertain and unpredictable, and if different estimates were used the purchase price for the acquisition could be allocated to the acquired assets and liabilities differently from the allocation that we have made. In addition, unanticipated events and circumstances may occur which may affect the accuracy or validity of such estimates, and if such events occur, we may be required to record a charge against the value ascribed to an acquired asset, an increase in the amounts recorded for assumed liabilities, or an impairment of some or all of the goodwill.

Goodwill and intangible assets recognized in connection with our acquisition of EvolutionIQ in January 2025 was \$538.8 million and \$167.9 million, respectively.

There have been no other material changes to our critical accounting estimates as compared to the critical accounting policies and estimates disclosed in our audited consolidated financial statements and notes thereto for the year ended December 31, 2024, included in our Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in our market risk compared to the disclosures in Part II, Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our principal executive officer and principal financial officer have concluded that as of June 30, 2025, our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

On January 6, 2025, we completed the acquisition of EvolutionIQ, which was accounted for as a business combination. As permitted by SEC guidance, the scope of management's evaluation of internal control over financial reporting can exclude acquisitions during the first year of an acquisition. Management is in the process of integrating, evaluating, and where necessary, implementing changes in controls and procedures of EvolutionIQ.

Other than the integration of EvolutionIQ, there were no changes in our internal control over financial reporting during the three months ended June 30, 2025 identified in management's evaluation pursuant to in Rules 13a-15(d) and 15d-15(d) of the Exchange Act that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

In the ordinary course of business, the Company is from time to time, involved in various pending or threatened legal actions. The litigation process is inherently uncertain, and it is possible that the resolution of such matters might have a material adverse effect on the Company's consolidated financial condition and/or results of operations. The Company's management believes, based on current information, matters currently pending or threatened are not expected to have a material adverse effect on the Company's consolidated financial position or results of operations.

Item 1A. Risk Factors

For risk factors relating to our business, please refer to the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024. Any of these factors could result in a significant or material adverse effect on the results of our operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table set forth below summarizes the Company's purchases of its common stock during the three months ended June 30, 2025.

Period	Issuer Purchases of Equity Securities			
	Total Number of Shares Purchased	Average Purchase Price per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
April 2025	—	—	—	\$227.7 million
May 2025	3,218,076	\$ 8.907	3,218,076	\$199.1 million
June 2025	7,770,251	\$ 9.095	7,770,251	\$127.7 million
Total	10,988,327	\$ 9.019	10,988,327	\$127.7 million

¹ In December 2024, the Company's board of directors authorized the repurchase of up to \$300.0 million of the Company's outstanding shares of common stock. The program has no expiration date.

Item 3. Defaults upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit Number	Description
31.1*	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer (Principal Financial and Accounting Officer) Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2**	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104*	Cover Page Interactive Data File - The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

* Filed herewith

** Furnished herewith

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.

Dated: July 31, 2025

CCC INTELLIGENT SOLUTIONS HOLDINGS INC.

By: /s/ Githesh Ramamurthy
Name: Githesh Ramamurthy
Title: Chief Executive Officer and Chairman of the Board of Directors
(Principal Executive Officer)

Dated: July 31, 2025

By: /s/ Brian Herb
Name: Brian Herb
Title: Executive Vice President, Chief Financial and Administrative
Officer
(Principal Financial Officer)

**Certification of Chief Executive Officer
Pursuant To
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Githesh Ramamurthy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CCC Intelligent Solutions Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: July 31, 2025

/s/ Githesh Ramamurthy

Githesh Ramamurthy
Chief Executive Officer

**Certification of Chief Financial Officer
Pursuant To
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Brian Herb, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CCC Intelligent Solutions Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: July 31, 2025

/s/ Brian Herb

Brian Herb

Executive Vice President, Chief Financial and Administrative Officer

**Certification of Chief Executive Officer
Pursuant To Rule 18 U.S.C. Section 1350**

In connection with the Quarterly Report on Form 10-Q of CCC Intelligent Solutions Holdings Inc. (the "Company") for the period ended June 30, 2025, as filed with the U.S. Securities and Exchange Commission (the "Report"), I, Githesh Ramamurthy, Chief Executive Officer and Chairman of the Board of Directors of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 31, 2025

/s/ Githesh Ramamurthy

Githesh Ramamurthy

Chief Executive Officer

**Certification of Chief Financial Officer
Pursuant To Rule 18 U.S.C. Section 1350**

In connection with the Quarterly Report on Form 10-Q of CCC Intelligent Solutions Holdings Inc. (the "Company") for the period ended June 30, 2025, as filed with the U.S. Securities and Exchange Commission (the "Report"), I, Brian Herb, Executive Vice President, Chief Financial and Administrative Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 31, 2025

/s/ Brian Herb

Brian Herb

Executive Vice President, Chief Financial and Administrative Officer
