

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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**February 10, 2026**

Date of report (Date of earliest event reported)

**SPS COMMERCE, INC.**



(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State of Incorporation)

**001-34702**

(Commission File Number)

**41-2015127**

(I.R.S. Employer Identification No.)

**333 South Seventh Street, Suite 1000  
Minneapolis, Minnesota**

(Address of Principal Executive Offices)

**55402**

(Zip Code)

**(612) 435-9400**

(Registrant's Telephone Number, Including Area Code)

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| <b>Title of each class</b>                | <b>Trading Symbol(s)</b> | <b>Name of each exchange on which registered</b>      |
|---|--------------------------|---|
| Common stock, par value \$0.001 per share | SPSC                     | The Nasdaq Stock Market LLC<br>(Nasdaq Global Market) |

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

Emerging growth company

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

## Item 2.02. Results of Operations and Financial Condition.

On February 12, 2026, SPS Commerce, Inc. (the “Company”) issued a press release disclosing its results of operations and financial condition for our fourth quarter and year ended December 31, 2025. A copy of the press release is attached hereto as Exhibit 99.1.

## Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

### *Appointment of new Chief Financial Officer*

On February 10, 2026, the Company’s board of directors (the “Board”) appointed Joseph Del Preto as the Company’s Executive Vice President & Chief Financial Officer, effective March 16, 2026 (the “Transition Date”), succeeding Kimberly Nelson, who announced her retirement as Executive Vice President & Chief Financial Officer, effective upon the conclusion of a customary transition period, as further described below.

Mr. Del Preto, age 50, will join the Company from Sprout Social, Inc. (Nasdaq: SPT), a leading, cloud-based social media management platform for publishing analytics and listening across all social media networks, where he has served as Chief Financial Officer and Treasurer since July 2017. Prior to that, Mr. Del Preto served as Global Controller at Groupon, Inc., an e-commerce marketplace connecting consumers with local businesses and national brands, beginning in July 2011. He previously served as Vice President of Finance at Echo Global Logistics, a publicly held provider of technology enabled transportation and supply chain management services (later acquired by The Jordan Company); and as Controller of Innerworkings, Inc., a publicly held global marketing execution firm (later acquired by HH Global Group Limited), from 2005 to 2011. Mr. Del Preto began his career as a Senior Audit Accountant at PricewaterhouseCoopers (PwC) in 1997.

Mr. Del Preto accepted a written offer letter (the “Offer Letter”) from the Company establishing his compensation as Chief Financial Officer. Pursuant to the Offer Letter, Mr. Del Preto’s initial compensation will consist of the following:

- an initial annualized base salary of \$475,000;
- participation in the Company’s Management Incentive Plan (“MIP”) for the performance period consisting of the Company’s 2026 fiscal year in the target dollar amount of 75% of his annualized base salary, pro-rated based on the Transition Date, with the same terms as the 2026 MIP applicable to other executive officers of the Company;
- the following equity awards under the Company’s 2010 Equity Incentive Plan:
  - as the 2026 annual equity award:
    - an award of restricted stock units (“RSUs”) with a value of \$1,900,000, to be granted on the fifth business day following the Company’s release of financial results for the quarter ended March 31, 2026, with the number of RSUs to be determined by dividing the value of the closing stock price on the grant date;
    - an award of performance stock units (“PSUs”) with a target value of \$1,900,000, to be granted on the fifth business day following the Company’s release of financial results for the quarter ended March 31, 2026 (the “PSU Grant Date”), with the number of PSUs to be determined by dividing the value by the closing stock price on the PSU Grant Date;
  - as a sign-on grant, to incentivize Mr. Del Preto to leave his current employment and to offset the value of the equity awards forfeited by Mr. Del Preto in connection with his departure, an award of RSUs with a value of \$6,200,000, to be granted on the fifth business day following the Company’s release of financial results for the quarter ended March 31, 2026, with the number of RSUs to be determined by dividing the value by the closing stock price on the grant date;
- entitlement to participate in all employee benefit plans and programs to the extent that he meets the eligibility requirements for each individual plan or program.

The foregoing description of the Offer Letter is a summary, does not purport to be complete and is qualified in its entirety by reference to the Offer Letter, which is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference.

The Compensation & Talent Committee of the Board has designated Mr. Del Preto as a participant in the Company’s Executive Management Team Severance Plan (the “Executive Severance Plan”). The Executive Severance Plan was filed as Exhibit 10.1 to the Company’s Current Report on 8-K filed on May 16, 2024, and is incorporated herein by reference as Exhibit 10.2; a summary of the Executive Severance Plan is included in the

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Company's definitive proxy statement filed on March 28, 2025, under "Executive Compensation – Potential Payments Upon Termination, Retirement, or Change in Control."

#### *Retirement of Chief Financial Officer*

On February 10, 2026, Kimberly Nelson, the Executive Vice President & Chief Financial Officer of the Company, provided the Company with her six months' notice of her intent to retire from the Company. Ms. Nelson will transition out of the Chief Financial Officer role on the Transition Date, but will continue to serve as an employee of the Company to assist with the transition until her to be determined retirement date. The Compensation & Talent Committee approved that Ms. Nelson's current base salary amount will continue to apply during the period between the Transition Date and her retirement date. The Compensation & Talent Committee also decided that Ms. Nelson would participate in the 2026 MIP with a target amount equal to 80% of her base salary, to be paid out at the target level, pro-rated based on Ms. Nelson's retirement date, in a lump sum within 30 days following her retirement date.

In order to qualify for retirement treatment under the terms of Ms. Nelson's equity award agreements, among other requirements, she is to have reached age 58 and have at least 10 years of continuous service, and have provided at least six months' notice of her retirement date. Ms. Nelson is currently 58 years old and has served for over 10 years of continuous service. In light of the fact that Ms. Nelson's successor has been identified and appointed, allowing for a sufficient transition period, the Compensation & Talent Committee decided to waive the six-month notice period requirement under the definition of "Retirement" in Ms. Nelson's equity award agreements. With that, her outstanding equity awards will be treated as provided under the retirement provisions of those award agreements upon her retirement date. Other than described above, Ms. Nelson will not be entitled to any cash payments or other severance in connection with her retirement.

#### **Item 7.01. Regulation FD Disclosure.**

On February 12, 2026, the Company issued a press release announcing the leadership transition described in Item 5.02 above. A copy of the press release is attached hereto as Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information in Items 2.02 and 7.01, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in that filing.

#### **Item 8.01. Other Events.**

On February 10, 2026, the Board approved an additional \$200.0 million in repurchase authority under the Company's previously announced share repurchase program that was approved on October 29, 2025 for the repurchase of up to \$100.0 million of the Company's common stock, for a total authorized repurchase amount of \$300.0 million under the program. Purchases may be made from time to time in the open market or in privately negotiated purchases, or both. The share repurchase program became effective on December 1, 2025 and expires on December 1, 2027.

#### ***Cautionary Statement Regarding Forward-Looking Information***

Certain statements in this Current Report on Form 8-K may contain forward-looking statements within the meaning of the safe harbor provisions under the Private Securities Litigation Reform Act of 1995 including, but not limited to, the Company's plans to repurchase shares of its common stock, the timing and amount of any share repurchases under the program, if any, the effects of the repurchase program on future results of operations or financial condition, and the timing and impact of the leadership transitions. These statements involve known and unknown risks, uncertainties and other factors which may cause the results of the Company to be materially different than those expressed or implied in such statements. Certain of these risk factors and others are included in documents the Company files with the Securities and Exchange Commission, including but not limited to, the Company's Annual Report on Form 10-K for the year ended December 31, 2024, as well as subsequent reports filed with the Securities and Exchange Commission. In addition, these forward-looking statements are subject to factors and uncertainties related to the leadership transitions, including disruptions and uncertainties related thereto, the ability of a successor to have the desired level of experience and expertise, the potential impact on the Company's business and future strategic direction resulting from the officer transitions, and the Company's ability to retain

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other key members of senior management. Other unknown or unpredictable factors also could have material adverse effects on the Company's future results. The forward-looking statements included in this report are made only as of the date hereof. The Company cannot guarantee future results, levels of activity, performance or achievements. Accordingly, you should not place undue reliance on these forward-looking statements. Finally, the Company expressly disclaims any intent or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

| <b><u>Exhibit No.</u></b> | <b><u>Exhibit</u></b>  |
|---------------------------|--|
| <a href="#">10.1</a>      | <a href="#">Offer Letter between Joseph Del Preto and SPS Commerce, Inc., dated as of February 10, 2026</a>  |
| 10.2                      | <a href="#">SPS Commerce, Inc. Executive Management Team Severance Plan (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 16, 2024)</a> |
| <a href="#">99.1</a>      | <a href="#">Press Release dated February 12, 2026</a>  |
| 104                       | Cover Page Interactive Data File (embedded within the Inline XBRL document)  |

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**SIGNATURES**

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.

**SPS COMMERCE, INC.**

Date: February 12, 2026

By: /s/ KIMBERLY NELSON

Kimberly Nelson

*Executive Vice President and Chief Financial Officer*



**Exhibit 10.1**

February 10, 2026

Joseph Del Preto

Dear Mr. Del Preto,

On behalf of SPS Commerce, I am pleased to offer you employment as Executive Vice President, Chief Financial Officer reporting to me, the Chief Executive Officer. The purpose of this letter is to set forth the terms of our offer. Your anticipated start date is March 16, 2026.

**Compensation**

We are pleased to offer you an annualized compensation package valued at \$4,631,250. The components will be as follows:

|  |    |           |
|--|----|-----------|
| Annualized Base Salary                     | \$ | 475,000   |
| Annualized Target MIP (75% of Base Salary) | \$ | 356,250   |
| Annualized Equity Grant                    | \$ | 3,800,000 |
| Annualized At-Plan Total Comp              | \$ | 4,631,250 |

**Incentive Plan**

You will be eligible to participate in our Management Incentive Plan (MIP) for fiscal year 2026. The plan is based on SPS Commerce revenue and Adjusted EBITDA targets; a copy of the plan will be shared with you annually. Your 2026 target is \$356,250 and any eligible amount payable will be paid in 2027 pursuant to the plan document.

Your first annual bonus target will be pro-rated based on your start date and any eligible amount payable will be paid the following year, pursuant to the plan document.

**Annual Equity**

For Executive Vice Presidents, SPS Commerce currently grants 50% of its equity awards in the form of performance stock units (PSUs) and 50% of its equity awards in the form of restricted stock units (RSUs) that are settled in shares of common stock.

Subject to the approval of the Board's Compensation & Talent Committee, you are expected to be granted a 2026 annual equity award of restricted stock units (RSUs) with a value of \$1,900,000, to be granted on the fifth business day following SPS Commerce's release of financial results for the quarter ending March 31, 2026, with the number of RSUs to be determined by dividing the value by the closing stock price on the RSU grant date. Provided you remain employed by SPS Commerce, the RSU award will generally vest as to 25% of the shares subject to the award annually, for four years, on the anniversary of your first date of employment. The actual terms and vesting of your RSUs, when granted, will be set forth in the Restricted Stock Unit Agreement between you and SPS Commerce.

Subject to the approval of the Board's Compensation & Talent Committee, you are also expected to be granted an award of performance stock units (PSUs) with a target value of \$1,900,000, to be granted on the fifth business day following SPS Commerce's release of financial results for the quarter ending March

31, 2026, with the number of PSUs to be determined by dividing the value by the closing stock on the PSU grant date. The PSU performance period is three years. The number of PSUs determined in accordance with the award agreement to have been earned as of the end of the applicable performance period will vest on the date the Board's Compensation & Talent Committee certifies such performance results, which shall be no later than March 15th of the year following the end of the applicable performance period. The actual terms and vesting of your PSUs, when granted, will be set forth in the Performance Stock Unit Agreement between you and SPS Commerce.

### **One-Time Supplemental Equity Award**

Subject to the approval of the Board's Compensation & Talent Committee, you are expected to be granted a one-time supplemental equity award of RSUs with a value of \$6,200,000, to be granted on the fifth business day following SPS Commerce's release of financial results for the quarter ended March 31, 2026, with the number of RSUs to be determined by dividing the value by the closing stock price on the RSU grant date. Provided you remain employed by SPS Commerce, this RSU award will vest as to 25% of the shares subject to the award annually, for four years, on the anniversary of your first date of employment. The actual terms and vesting of your RSUs, when granted, will be set forth in the Restricted Stock Unit Agreement between you and SPS Commerce.

### **Benefits**

You will be eligible for all normal benefits, in accordance with company policy, as outlined on the summary of benefits. You will be eligible for the Discretionary Time-Off (DTO) benefit which allows you to take time as you need it for personal, vacation and family time.

SPS Commerce will provide you with a monthly stipend for a mobile phone.

### **Work Location**

We understand that your preference is to maintain your home in Illinois as your principal work location. Your business expenses for travel to and from SPS Commerce work locations, including our Minneapolis headquarters, will be subject to reimbursement under the Travel & Expense Reimbursement Policy.

### **Executive Management Team Severance Plan**

The position being offered to you is eligible for the Executive Management Team Severance Plan.

### **Insider Trading**

The position being offered to you qualifies as a Corporate Insider. Corporate insiders are subject to the Company's insider trading policy which has been put in place to protect you and the Company from insider trading or allegations of insider trading. As a condition of your employment, prior to your start date you will be required to sign and return the Corporate Insider Acknowledgement Form.

### **At-Will Agreement**

As a condition of your employment, you will be required to sign and return before you start working the At-Will/Confidentiality Agreement Regarding Certain Terms and Conditions of Employment at SPS Commerce, Inc. (referred to herein as At-Will Agreement).

The U.S. Immigration Reform & Control Act requires employers to verify employment eligibility of all new employees. We will, therefore, need to verify your legal work status upon your start date. This will include completing the Federal I-9 document, which may require you to physically present your authorized documents to an approved vendor near your home address.

Your employment is "at will" and any vehicle of communication, including but not limited to this letter, any other company policy, manual, any terms of probation, reviews, or verbal communication, should not be construed to create a contract for employment for any term or length of time.

Please indicate your acceptance of this employment offer by signing this letter. Feel free to contact me with any questions. We look forward to you joining SPS!

Sincerely,

/s/ Chad Collins  
Chad Collins  
Chief Executive Officer

*The purpose of this letter is solely to notify you of the proposed salary and grants described above. The definitive terms of the grant will be set forth in definitive agreements that will be provided to you. The terms set forth in such definitive agreements will supersede the terms set forth in this letter in all respects and such definitive agreements will be the final and conclusive terms of your grant.*

Joseph Del Preto  
Compensation Summary

Start Date: March 16, 2026

| FIRST YEAR COMPENSATION AT TARGET                 |                                   |  |
|---|-----------------------------------|--|
| Base Salary                                       | \$475,000                         |  |
| Annual Management Incentive Plan (MIP) Target     | \$356,250<br>(75% of Base Salary) |  |
| <b>ANNUAL TOTAL CASH AT TARGET</b>                | <b>\$831,250</b>                  |  |
| Annual Equity Target                              | \$3,800,000                       | 50% RSUs / 50% PSUs<br><br>RSUs vest over 4 years; 25% vests each year<br><br>PSU performance period = 3 years |
| <b>ANNUAL TOTAL DIRECT COMPENSATION AT TARGET</b> | <b>\$4,631,250</b>                |  |
| ADDITIONAL ONE-TIME CONSIDERATION                 |                                   |  |
| One-Time Equity Award                             | \$6,200,00                        | 100% RSUs<br><br>RSUs vest over 4 years; 25% vests each year   |
| <b>TOTAL ONE-TIME CONSIDERATION</b>               | <b>\$6,200,000</b>                |  |

| BENEFITS                      |   |
|-------------------------------|---|
| Standard SPS Benefits         | Medical, Dental, Vision<br>Short- and Long-Term Disability<br>Life and AD&D Insurance<br>401(k)<br>Employee Stock Purchase Program<br>Discretionary Time Off<br>\$75 per month cell phone reimbursement |
| Additional Executive Benefits | The position being offered to you is eligible for the Executive Management Team Severance Plan  |

Contact:  
Investor Relations  
The Blueshirt Group  
Irmina Blaszczyk  
SPSC@blueshirtgroup.com

### **SPS Commerce Reports Fourth Quarter and Fiscal Year 2025 Financial Results**

*Company delivers 100th consecutive quarter of topline growth*

*Fourth quarter 2025 revenue grew 13% and recurring revenue grew 14% from the fourth quarter of 2024*

*Announces planned retirement of Chief Financial Officer and appointment of new Chief Financial Officer*

*Announces increase to Share Repurchase Program*

MINNEAPOLIS, February 12, 2026 (GLOBE NEWSWIRE) -- SPS Commerce, Inc. (NASDAQ: SPSC), the leading intelligent supply chain network, today announced financial results for the fourth quarter and year ended December 31, 2025.

#### **Financial Highlights**

##### **Fourth Quarter 2025 Financial Highlights**

- Revenue was \$192.7 million in the fourth quarter of 2025, compared to \$170.9 million in the fourth quarter of 2024, reflecting 13% growth.
- Recurring revenue grew 14% from the fourth quarter of 2024.
- Net income was \$25.8 million or \$0.68 per diluted share, compared to net income of \$17.6 million or \$0.46 per diluted share in the fourth quarter of 2024.
- Non-GAAP income per diluted share was \$1.14, compared to non-GAAP income per diluted share of \$0.89 in the fourth quarter of 2024.
- Adjusted EBITDA for the fourth quarter of 2025 increased 22% to \$60.5 million compared to the fourth quarter of 2024.
- Share repurchases in the fourth quarter of 2025 totaled \$25.0 million.

##### **Fiscal Year 2025 Financial Highlights**

- Revenue was \$751.5 million for the year ended December 31, 2025, compared to \$637.8 million for the year ended December 31, 2024, reflecting 18% growth.
- Recurring revenue grew 20% from the year ended December 31, 2024.
- Net income was \$93.3 million or \$2.46 per diluted share for the year ended December 31, 2025, compared to net income of \$77.1 million or \$2.04 per diluted share for the comparable period in 2024, reflecting 21% growth in year-over-year net income.
- Non-GAAP income per diluted share was \$4.27, compared to non-GAAP income per diluted share of \$3.48 in the year ended December 31, 2024.
- Adjusted EBITDA for the year ended December 31, 2025, increased 24% to \$231.4 million compared to the year ended December 31, 2024.
- Share repurchases for the year ended December 31, 2025 totaled \$115.0 million.

“SPS Commerce’s sustained and profitable growth and ongoing network expansion demonstrate our success in delivering the products and services that retailers and suppliers depend on to strengthen collaboration and drive

continuous improvement,” said Chad Collins, CEO of SPS Commerce. “We’re excited about our recently launched agentic capabilities that leverage decades of expertise and proprietary network intelligence and competitively position SPS to deliver more meaningful and scalable AI enhancements across our product portfolio to better address the trends that are shaping the future of supply chain collaboration.”

“The fourth quarter of 2025 marks SPS Commerce’s 100th consecutive quarter of revenue growth – a milestone that speaks to the durability of our business model and our disciplined financial strategy. As we look ahead, we remain focused on driving balanced, profitable growth and delivering long-term value for our customers and shareholders,” said Kim Nelson, CFO of SPS Commerce.

#### **Executive Appointment**

SPS Commerce also announced it has appointed Joseph Del Preto as its Executive Vice President and Chief Financial Officer, effective March 16, 2026. Del Preto brings more than 20 years of experience leading finance, accounting, and operational strategy for high-growth, publicly traded technology companies, most recently serving as Chief Financial Officer and Treasurer of Sprout Social, Inc., a publicly traded social media management and analytics platform. Before Sprout Social, Del Preto held senior finance leadership roles at Groupon and Echo Global Logistics and began his career in public accounting at PricewaterhouseCoopers. Kim Nelson, who announced her intent to retire as Executive Vice President & Chief Financial Officer, will remain at SPS Commerce through the conclusion of a customary transition period.

“For nearly two decades, Kim has been a steady, trusted leader through some of the most defining chapters of our company’s journey, from the IPO to our evolution into a global organization that just achieved 100 consecutive quarters of growth. On behalf of the entire SPS team, I want to thank Kim for her extraordinary contributions and congratulate her on a well-earned retirement,” said Chad Collins, CEO of SPS Commerce. “As we look ahead, I’m excited to welcome Joseph Del Preto as our new Chief Financial Officer. He brings deep experience leading finance organizations at scale, a strong understanding of public-company dynamics, and a leadership style that aligns closely with our values. I’m confident Joe will build on the strong foundation Kim created and help guide SPS through our next chapter of growth.”

#### **Share Repurchase Program**

The Company also announced today that the Board of Directors of SPS Commerce approved an additional \$200.0 million in repurchase authority under the Company’s previously announced share repurchase program that was approved on October 29, 2025 for the repurchase of up to \$100.0 million of common stock, for a total authorized repurchase amount of \$300.0 million under the program. Purchases may be made from time to time in the open market or in privately negotiated purchases, or both. The share repurchase program became effective on December 1, 2025 and expires on December 1, 2027.

#### **Guidance**

##### **First Quarter 2026 Guidance**

- Revenue is expected to be in the range of \$191.6 million to \$193.6 million, representing 6% to 7% year-over-year growth.
- Net income per diluted share is expected to be in the range of \$0.46 to \$0.49, with fully diluted weighted average shares outstanding of 38.2 million shares.
- Non-GAAP income per diluted share is expected to be in the range of \$0.95 to \$0.99.
- Adjusted EBITDA is expected to be in the range of \$55.5 million to \$57.5 million.
- Non-cash, share-based compensation expense is expected to be \$17.2 million, depreciation expense is expected to be \$4.5 million, and amortization expense is expected to be \$9.6 million.

## **Fiscal Year 2026 Guidance**

- Revenue is expected to be in the range of \$798.5 million to \$806.9 million, representing 6% to 7% growth over 2025.
- Net income per diluted share is expected to be in the range of \$2.50 to \$2.58, with fully diluted weighted average shares outstanding of 38.4 million shares.
- Non-GAAP income per diluted share is expected to be in the range of \$4.42 to \$4.50.
- Adjusted EBITDA is expected to be in the range of \$261.0 million to \$265.5 million, representing 13% to 15% growth over 2025.
- Non-cash, share-based compensation expense is expected to be \$67.1 million, depreciation expense is expected to be \$21.6 million, and amortization expense is expected to be \$38.3 million.

The forward-looking measures and the underlying assumptions involve significant known and unknown risks and uncertainties, and actual results may vary materially. The Company does not present a reconciliation of the forward-looking non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA margin, and non-GAAP income per share, to the most directly comparable GAAP financial measures because it is impractical to forecast certain items without unreasonable efforts due to the uncertainty and inherent difficulty of predicting, within a reasonable range, the occurrence and financial impact of and the periods in which such items may be recognized.

## **Quarterly Conference Call**

To access the call, please dial 1-833-816-1382, or outside the U.S. 1-412-317-0475 at least 15 minutes prior to the 3:30 p.m. CT start time. Please ask to join the SPS Commerce Q4 2025 conference call. A live webcast of the call will also be available at <http://investors.spscommerce.com> under the Events and Presentations menu. The replay will also be available on our website at <http://investors.spscommerce.com>.

## **About SPS Commerce**

SPS Commerce is the world's leading retail network, connecting trading partners around the globe to optimize supply chain operations for all retail partners. We support data-driven partnerships with innovative cloud technology, customer-obsessed service, and accessible experts so our customers can focus on what they do best. Over 50,000 recurring revenue customers in retail, grocery, distribution, supply, manufacturing, and logistics are using SPS as their retail network. SPS has achieved 100 consecutive quarters of revenue growth and is headquartered in Minneapolis. For additional information, contact SPS at 866-245-8100 or visit [www.spscommerce.com](http://www.spscommerce.com).

SPS COMMERCE, SPS, SPS logo and INFINITE RETAIL POWER are marks of SPS Commerce, Inc. and registered in the U.S. Patent and Trademark Office, along with other SPS marks. Such marks may also be registered or otherwise protected in other countries.

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## **Use of Non-GAAP Financial Measures**

To supplement our condensed consolidated financial statements, we provide investors with Adjusted EBITDA, Adjusted EBITDA Margin, and non-GAAP income per share, all of which are non-GAAP financial measures. We believe that these non-GAAP financial measures provide useful information to our management, Board of Directors, and investors regarding certain financial and business trends relating to our financial condition and results of operations.

Our management uses these non-GAAP financial measures to compare our performance to that of prior periods for trend analyses and planning purposes. Adjusted EBITDA is also used for purposes of determining executive and senior management incentive compensation. We believe these non-GAAP financial measures are useful to an investor as they are widely used in evaluating operating performance. Adjusted EBITDA and Adjusted EBITDA Margin are used to measure operating performance without regard to items such as depreciation and amortization, which can vary depending upon accounting methods and the book value of assets, and to present a meaningful measure of corporate performance exclusive of capital structure and the method by which assets were acquired.

These non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP. These non-GAAP financial measures exclude significant expenses and income that are required by GAAP to be recorded in our condensed consolidated financial statements and are subject to inherent limitations. Investors should review the reconciliations of non-GAAP financial measures to the comparable GAAP financial measures that are included in this press release.

#### **Adjusted EBITDA Measures:**

Adjusted EBITDA consists of net income adjusted for income tax expense, depreciation and amortization expense, stock-based compensation expense, realized gain or loss from investments held and foreign currency impact on cash and investments, investment income, and other adjustments as necessary for a fair presentation. Other adjustments for the year ended December 31, 2025 included the expense impacts from disposals of certain capitalized internally developed software, disposals of other equipment, remeasurement of acquired earn-out payments, and one-time acquisition-related insurance costs. Other adjustments for the year ended December 31, 2024 included the expense impacts from disposals of certain capitalized internally developed software and one-time acquisition-related insurance costs. Net income is the most directly comparable GAAP measure of financial performance.

Adjusted EBITDA Margin consists of Adjusted EBITDA divided by revenue. Margin, the comparable GAAP measure of financial performance, consists of net income divided by revenue.

#### **Non-GAAP Income Per Share Measure:**

Non-GAAP income per share consists of net income adjusted for stock-based compensation expense, amortization expense related to intangible assets, realized gain or loss from investments held and foreign currency impact on cash and investments, other adjustments as necessary for a fair presentation, including for the year ended December 31, 2025 the expense impacts from disposals of certain capitalized internally developed software, disposals of other equipment, remeasurement of acquired earn-out payments, and one-time acquisition-related insurance costs and for the year ended December 31, 2024 the expense impacts from disposals of certain capitalized internally developed software and one-time acquisition-related insurance costs, and the corresponding tax impacts of the adjustments to net income, divided by the weighted average number of shares of common and diluted stock outstanding during each period. Net income per share, the most directly comparable GAAP measure of financial performance, consists of net income divided by the weighted average number of shares of common and diluted stock outstanding during each period. To quantify the tax effects, we recalculated income tax expense excluding the direct book and tax effects of the specific items constituting the non-GAAP adjustments. The difference between this recalculated income tax expense and GAAP income tax expense is presented as the income tax effect of the non-GAAP adjustments.

## **Forward-Looking Statements**

This press release may contain forward-looking statements, including information about management's view of SPS Commerce's future expectations, plans and prospects, including our views regarding future execution within our business, the opportunity we see in the retail supply chain world and our performance for the first quarter and full year of 2026, within the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors which may cause the results of SPS Commerce to be materially different than those expressed or implied in such statements. Certain of these risk factors and others are included in documents SPS Commerce files with the Securities and Exchange Commission, including but not limited to, SPS Commerce's Annual Report on Form 10-K for the year ended December 31, 2024, as well as subsequent reports filed with the Securities and Exchange Commission. Other unknown or unpredictable factors also could have material adverse effects on SPS Commerce's future results. The forward-looking statements included in this press release are made only as of the date hereof. SPS Commerce cannot guarantee future results, levels of activity, performance or achievements. Accordingly, you should not place undue reliance on these forward-looking statements. Finally, SPS Commerce expressly disclaims any intent or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

**SPS COMMERCE, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited; In thousands, except shares)

|   | December 31,<br>2025 | December 31,<br>2024 |
|---|----------------------|----------------------|
| <b>ASSETS</b>                               |                      |                      |
| Current assets                              |                      |                      |
| Cash and cash equivalents                   | \$ 151,355           | \$ 241,017           |
| Accounts receivable                         | 75,295               | 56,214               |
| Allowance for credit losses                 | (7,129)              | (4,179)              |
| Accounts receivable, net                    | 68,166               | 52,035               |
| Deferred costs                              | 66,693               | 65,342               |
| Other assets                                | 49,090               | 23,513               |
| Total current assets                        | 335,304              | 381,907              |
| Property and equipment, net                 | 43,117               | 37,547               |
| Operating lease right-of-use assets         | 5,025                | 8,192                |
| Goodwill                                    | 541,719              | 399,180              |
| Intangible assets, net                      | 215,815              | 181,294              |
| Other assets                                |                      |                      |
| Deferred costs, non-current                 | 20,719               | 20,572               |
| Deferred income tax assets                  | 493                  | 505                  |
| Other assets, non-current                   | 7,667                | 2,033                |
| Total assets                                | \$ 1,169,859         | \$ 1,031,230         |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b> |                      |                      |
| Current liabilities                         |                      |                      |
| Accounts payable                            | \$ 13,757            | \$ 8,577             |
| Accrued compensation                        | 47,577               | 47,160               |
| Accrued expenses                            | 13,074               | 12,108               |
| Deferred revenue                            | 75,590               | 74,256               |
| Operating lease liabilities                 | 4,353                | 4,583                |
| Total current liabilities                   | 154,351              | 146,684              |
| Other liabilities                           |                      |                      |
| Deferred revenue, non-current               | 5,288                | 6,189                |
| Operating lease liabilities, non-current    | 2,839                | 7,885                |
| Deferred income tax liabilities             | 33,201               | 15,541               |
| Other liabilities, non-current              | 287                  | 241                  |
| Total liabilities                           | 195,966              | 176,540              |
| Commitments and contingencies               |                      |                      |
| Stockholders' equity                        |                      |                      |
| Common stock                                | 40                   | 40                   |
| Treasury stock                              | (177,949)            | (99,748)             |
| Additional paid-in capital                  | 722,737              | 627,982              |
| Retained earnings                           | 429,438              | 336,099              |
| Accumulated other comprehensive loss        | (373)                | (9,683)              |
| Total stockholders' equity                  | 973,893              | 854,690              |
| Total liabilities and stockholders' equity  | \$ 1,169,859         | \$ 1,031,230         |

**SPS COMMERCE, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited; in thousands, except per share amounts)

|   | Three Months Ended<br>December 31, |            | Twelve Months Ended<br>December 31, |            |
|---|------------------------------------|------------|-------------------------------------|------------|
|   | 2025                               | 2024       | 2025                                | 2024       |
| Revenues  | \$ 192,652                         | \$ 170,907 | \$ 751,505                          | \$ 637,765 |
| Cost of revenues  | 56,957                             | 55,585     | 231,629                             | 210,714    |
| Gross profit  | 135,695                            | 115,322    | 519,876                             | 427,051    |
| Operating expenses  |                                    |            |                                     |            |
| Sales and marketing   | 41,740                             | 39,220     | 169,130                             | 148,920    |
| Research and development  | 16,694                             | 17,142     | 68,680                              | 62,809     |
| General and administrative  | 32,996                             | 26,354     | 126,594                             | 102,929    |
| Amortization of intangible assets                                   | 9,579                              | 7,862      | 37,169                              | 23,510     |
| Total operating expenses  | 101,009                            | 90,578     | 401,573                             | 338,168    |
| Income from operations  | 34,686                             | 24,744     | 118,303                             | 88,883     |
| Other income (expense), net   | 1,292                              | (373)      | 5,532                               | 10,593     |
| Income before income taxes  | 35,978                             | 24,371     | 123,835                             | 99,476     |
| Income tax expense  | 10,137                             | 6,812      | 30,496                              | 22,422     |
| Net income  | \$ 25,841                          | \$ 17,559  | \$ 93,339                           | \$ 77,054  |
| Net income per share  |                                    |            |                                     |            |
| Basic   | \$ 0.69                            | \$ 0.47    | \$ 2.46                             | \$ 2.07    |
| Diluted   | \$ 0.68                            | \$ 0.46    | \$ 2.46                             | \$ 2.04    |
| Weighted average common shares used to compute net income per share |                                    |            |                                     |            |
| Basic   | 37,712                             | 37,646     | 37,881                              | 37,306     |
| Diluted   | 37,763                             | 38,133     | 37,992                              | 37,856     |

**SPS COMMERCE, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited; in thousands)

|   | Twelve Months Ended<br>December 31, |                   |
|---|-------------------------------------|-------------------|
|   | 2025                                | 2024              |
| Cash flows from operating activities                                      |                                     |                   |
| Net income  | \$ 93,339                           | \$ 77,054         |
| Reconciliation of net income to net cash provided by operating activities |                                     |                   |
| Deferred income taxes   | 18,909                              | (9,786)           |
| Depreciation and amortization of property and equipment                   | 21,089                              | 18,721            |
| Amortization of intangible assets   | 37,169                              | 23,510            |
| Provision for credit losses   | 9,918                               | 7,683             |
| Stock-based compensation  | 53,728                              | 54,557            |
| Other, net  | (1,087)                             | 577               |
| Changes in assets and liabilities, net of effects of acquisitions         |                                     |                   |
| Accounts receivable   | (20,297)                            | (9,653)           |
| Deferred costs  | 157                                 | (3,120)           |
| Other assets and liabilities  | (28,686)                            | (7,313)           |
| Accounts payable  | 4,715                               | 796               |
| Accrued compensation  | (3,721)                             | 1,434             |
| Accrued expenses  | (3,568)                             | 4,115             |
| Deferred revenue  | (787)                               | 728               |
| Operating leases  | (2,088)                             | (1,905)           |
| Net cash provided by operating activities                                 | <u>178,790</u>                      | <u>157,398</u>    |
| Cash flows from investing activities                                      |                                     |                   |
| Purchases of property and equipment                                       | (26,524)                            | (20,046)          |
| Purchases of investments  | —                                   | (85,759)          |
| Maturities of investments   | —                                   | 143,275           |
| Acquisition of business, net  | (142,628)                           | (147,924)         |
| Net cash used in investing activities                                     | <u>(169,152)</u>                    | <u>(110,454)</u>  |
| Cash flows from financing activities                                      |                                     |                   |
| Repurchases of common stock   | (114,277)                           | (37,567)          |
| Net proceeds from exercise of options to purchase common stock            | 3,861                               | 4,714             |
| Net proceeds from employee stock purchase plan activity                   | 9,584                               | 9,827             |
| Net cash used in financing activities                                     | <u>(100,832)</u>                    | <u>(23,026)</u>   |
| Effect of foreign currency exchange rate changes                          | 1,532                               | (1,982)           |
| Net increase (decrease) in cash and cash equivalents                      | (89,662)                            | 21,936            |
| Cash and cash equivalents at beginning of period                          | 241,017                             | 219,081           |
| Cash and cash equivalents at end of period                                | <u>\$ 151,355</u>                   | <u>\$ 241,017</u> |

**SPS COMMERCE, INC.**  
**NON-GAAP RECONCILIATIONS**  
(Unaudited; in thousands, except Margin, Adjusted EBITDA Margin, and per share amounts)

| <b>Adjusted EBITDA</b>   |  |                  |   |                   |  |
|--|--|------------------|---|-------------------|--|
|  | <b>Three Months Ended<br/>December 31,</b> |                  | <b>Twelve Months Ended<br/>December 31,</b> |                   |  |
|  | <b>2025</b>                                | <b>2024</b>      | <b>2025</b>                                 | <b>2024</b>       |  |
| Net income   | \$ 25,841                                  | \$ 17,559        | \$ 93,339                                   | \$ 77,054         |  |
| Income tax expense   | 10,137                                     | 6,812            | 30,496                                      | 22,422            |  |
| Depreciation and amortization of property and equipment  | 5,787                                      | 4,711            | 21,089                                      | 18,721            |  |
| Amortization of intangible assets  | 9,579                                      | 7,862            | 37,169                                      | 23,510            |  |
| Stock-based compensation expense   | 10,410                                     | 12,293           | 53,728                                      | 54,557            |  |
| Realized (gain) loss from investments held and foreign currency impact on cash and investments | 290  | 2,521            | (388)                                       | (115)             |  |
| Investment income  | (1,036)                                    | (2,205)          | (4,649)                                     | (10,582)          |  |
| Other  | (546)                                      | 86               | 583   | 1,064             |  |
| <b>Adjusted EBITDA</b>   | <b>\$ 60,462</b>                           | <b>\$ 49,639</b> | <b>\$ 231,367</b>                           | <b>\$ 186,631</b> |  |

| <b>Adjusted EBITDA Margin</b> |  |             |   |             |  |
|-------------------------------|--|-------------|---|-------------|--|
|                               | <b>Three Months Ended<br/>December 31,</b> |             | <b>Twelve Months Ended<br/>December 31,</b> |             |  |
|                               | <b>2025</b>                                | <b>2024</b> | <b>2025</b>                                 | <b>2024</b> |  |
| Revenue                       | \$ 192,652                                 | \$ 170,907  | \$ 751,505                                  | \$ 637,765  |  |
| Net income                    | 25,841                                     | 17,559      | 93,339                                      | 77,054      |  |
| Margin                        | 13 %                                       | 10 %        | 12 %  | 12 %        |  |
| Adjusted EBITDA               | 60,462                                     | 49,639      | 231,367                                     | 186,631     |  |
| Adjusted EBITDA Margin        | 31 %                                       | 29 %        | 31 %  | 29 %        |  |

| <b>Non-GAAP Income per Share</b>   |  |                  |   |                   |  |
|--|--|------------------|---|-------------------|--|
|  | <b>Three Months Ended<br/>December 31,</b> |                  | <b>Twelve Months Ended<br/>December 31,</b> |                   |  |
|  | <b>2025</b>                                | <b>2024</b>      | <b>2025</b>                                 | <b>2024</b>       |  |
| Net income   | \$ 25,841                                  | \$ 17,559        | \$ 93,339                                   | \$ 77,054         |  |
| Stock-based compensation expense   | 10,410                                     | 12,293           | 53,728                                      | 54,557            |  |
| Amortization of intangible assets  | 9,579                                      | 7,862            | 37,169                                      | 23,510            |  |
| Realized (gain) loss from investments held and foreign currency impact on cash and investments | 290  | 2,521            | (388)                                       | (115)             |  |
| Other  | (546)                                      | 86               | 583   | 1,064             |  |
| Income tax effects of adjustments  | (2,344)                                    | (6,371)          | (22,279)                                    | (24,505)          |  |
| <b>Non-GAAP income</b>   | <b>\$ 43,230</b>                           | <b>\$ 33,950</b> | <b>\$ 162,152</b>                           | <b>\$ 131,565</b> |  |
| <b>Shares used to compute net income and non-GAAP income per share</b>                         |  |                  |   |                   |  |
| Basic  | 37,712                                     | 37,646           | 37,881                                      | 37,306            |  |
| Diluted  | 37,763                                     | 38,133           | 37,992                                      | 37,856            |  |
| Net income per share, basic  | \$ 0.69                                    | \$ 0.47          | \$ 2.46                                     | \$ 2.07           |  |
| Non-GAAP adjustments to net income per share, basic  | 0.46                                       | 0.43             | 1.82  | 1.46              |  |
| <b>Non-GAAP income per share, basic</b>  | <b>\$ 1.15</b>                             | <b>\$ 0.90</b>   | <b>\$ 4.28</b>                              | <b>\$ 3.53</b>    |  |
| Net income per share, diluted  | \$ 0.68                                    | \$ 0.46          | \$ 2.46                                     | \$ 2.04           |  |
| Non-GAAP adjustments to net income per share, diluted  | 0.46                                       | 0.43             | 1.81  | 1.44              |  |
| <b>Non-GAAP income per share, diluted</b>  | <b>\$ 1.14</b>                             | <b>\$ 0.89</b>   | <b>\$ 4.27</b>                              | <b>\$ 3.48</b>    |  |

The annual per share amounts may not cross-sum due to rounding.