



CROWDSTRIKE

April 2022 Investor Briefing

George Kurtz, Co-Founder and CEO
Mike Sentonas, Chief Technology Officer
Burt Podbere, Chief Financial Officer

Safe Harbor

This presentation includes express and implied “forward-looking statements”, including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts, and in some cases, can be identified by terms such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “project,” “will,” “would,” “should,” “could,” “can,” “predict,” “potential,” “continue,” or the negative of these terms, and similar expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this presentation include, but are not limited to, statements concerning our estimates of market size and opportunity, strategic plans or objectives, our growth prospects, projections (including our long-term model and modeling considerations), our product roadmap and future initiatives, and the performance and benefits of our products. By their nature, these statements are subject to numerous risks and uncertainties, including factors beyond our control, that could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the statements. Such risks and uncertainties are described in the “Risk Factors” section of our most recent Form 10-K filed with the Securities and Exchange Commission. Although our management believes that the expectations reflected in our statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Recipients are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements are made and should not be construed as statements of fact. Except to the extent required by federal securities laws, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

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Financial Information

Use of Non-GAAP Financial Measures

In addition to our results determined in accordance with U.S. generally accepted accounting principles (“GAAP”), we believe non-GAAP measures used in this presentation, such as non-GAAP Gross Margins, Non-GAAP Operating Expenses and Free Cash Flow, are useful in evaluating our operating performance. We use such non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool, and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP.

Other companies, including companies in our industry, may calculate similarly titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. In addition, the utility of free cash flow as a measure of our financial performance and liquidity is limited as it does not represent the total increase or decrease in our cash balance for a given period.

Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.

Please see the appendix included at the end of this presentation for a discussion of non-GAAP financial measures and a reconciliation of historical non-GAAP measures to historical GAAP measures.

Our Fiscal Year

Our fiscal year end is January 31, and our fiscal quarters end on April 30, July 31, October 31, and January 31. Our fiscal years ended January 31, 2017, 2018, 2019, 2020, 2021, and 2022 are referred to herein as fiscal 2017, 2018, 2019, 2020, 2021, and 2022, respectively.





CrowdStrike: **A Generational Company**

George Kurtz
Co-Founder and CEO

Cloud Architecture

Cloud-Based Reporting



Cloud-Based Management



Learning Machine



Virtual State Machine



Unified Thre Database



2011

The Original Story

Goal

The largest private security cloud in the world

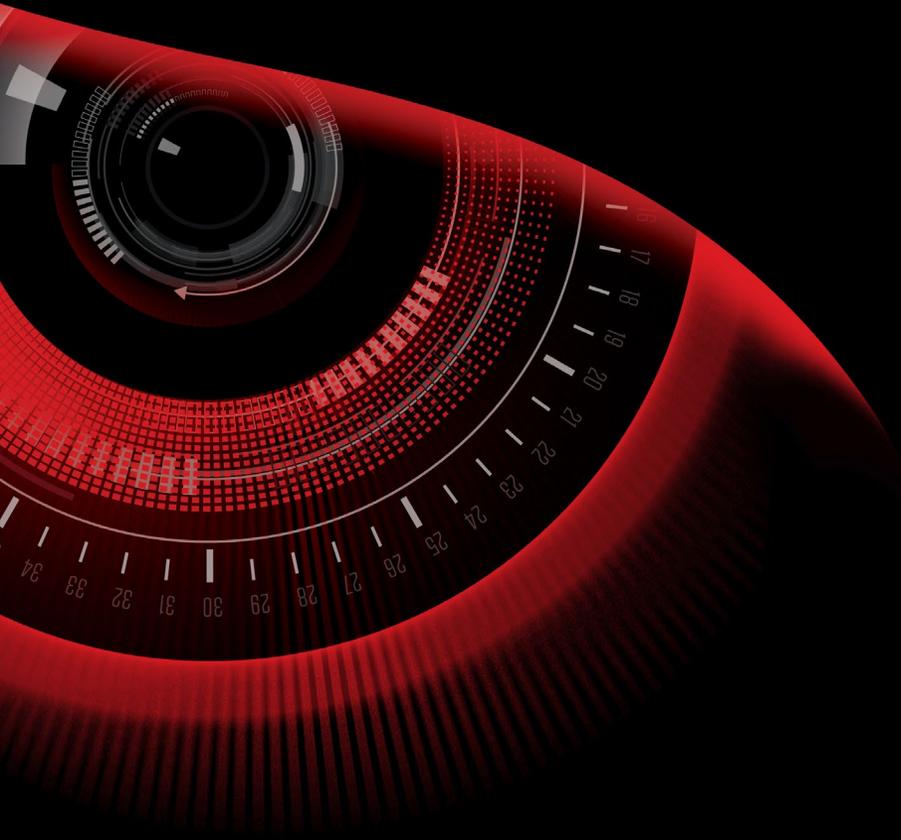
How?

Cloud Enabled Sensors

Security Telemetry Data

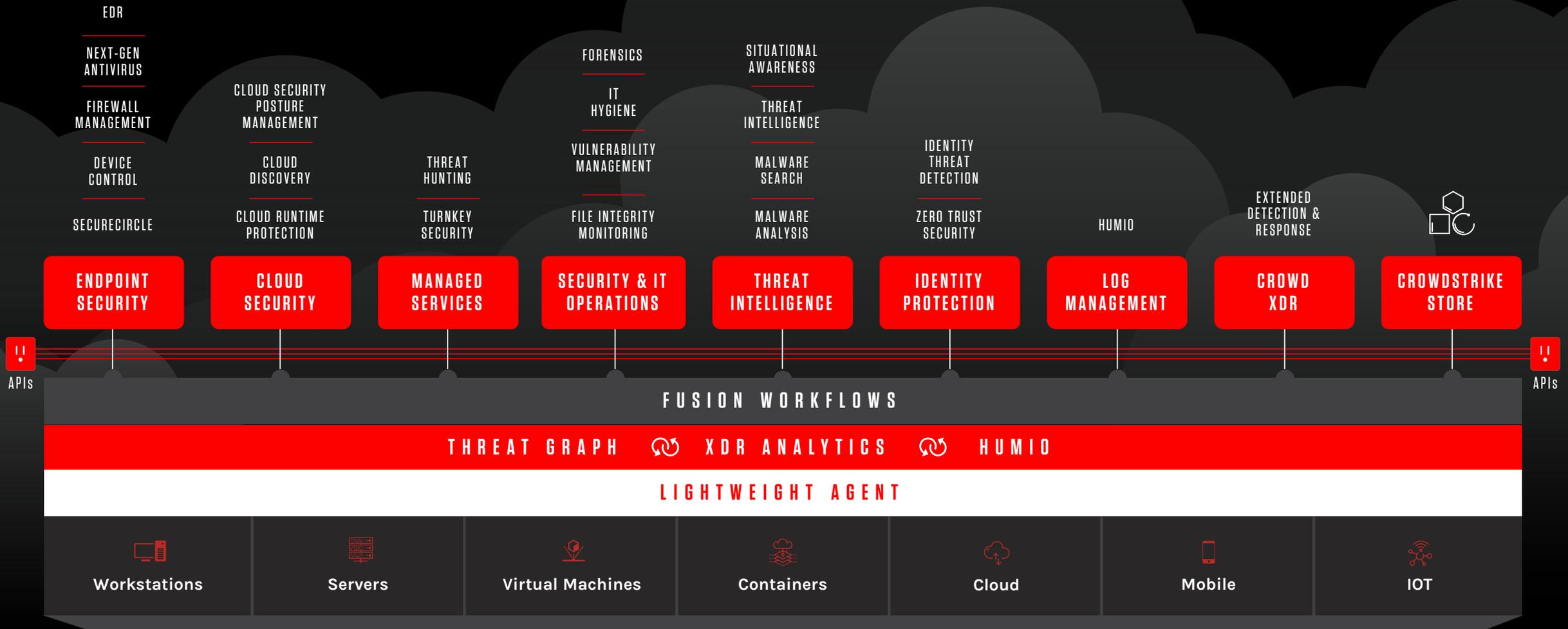
Salesforce meets security





**We Stop
Breaches**

CrowdStrike Falcon Platform: Defining the Security Cloud



The extensible CrowdStrike Falcon platform includes cloud modules, single lightweight agent, Threat Graph, and newly acquired technologies

Growing market share in a growing market

Modern Endpoint Security

CY19

CY20

CY21 Mid-Year

CrowdStrike
Market Rank

#4

#1

#1

CrowdStrike
Market Share %

7.9%

12.2%

14.2%

Sources:

IDC, Worldwide Modern Endpoint Security Market Shares, July 2020–June 2021: CrowdStrike and Microsoft Outdistancing All Other Vendors in a Rapidly Expanding Market, IDC #US48616621, January 2022

IDC, Worldwide Corporate Endpoint Security Market Shares, 2020: Pandemic and Expanding Functionality Propelled Market Growth, IDC #US47768021, 12-months ending June 2021

A Leader in the EDR Market

“CrowdStrike dominates in EDR while building its future in XDR and Zero Trust.”

FORRESTER®

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CROWDSTRIKE



Source: The Forrester Wave™
Endpoint Detection And Response Providers, Q2 2022, April 6, 2022



Best in class protection

SE Labs

100%

**Detection of Attacks
in EDR Test**

AV

comparatives

99.9%

**Highest Protection Rate
in the Real-World Test**

MITRE

100%

**Prevention in the
ATT&CK Evaluations**

Source: SE Labs: Advanced Security Test – EDR, November 2021, AV Comparatives – Business Security Test, August – November 2021, MITRE Engenuity ATT&CK® Enterprise Evaluations, March 2022.

MITRE ATT&CK Evaluations

MITRE | ATT&CK®

#1 in Prevention

#1 in Stopping Breaches

The leader in XDR

**CrowdStrike leads the latest MITRE
ATT&CK Evaluations with 100%
automated prevention**

Leading visibility

Leading analytic coverage

The **ONLY** platform with native Zero Trust &
Identity Protection



The winning formula

Scale

43

**Software Peer Group with
>\$1B LTM Revenue**



Growth

5

**With LTM Revenue
Growth Rates >60%**



Cash Flow

1

With LTM FCF Margin 30%+



CrowdStrike

Source: Based on publicly traded companies represented in database Public Comps. Segments used in analysis: High Growth SaaS, Mature SaaS, Vertical SaaS, B2B SaaS, Cybersecurity, Enterprise Software, UCaaS, and Top 10 SaaS (as such categories are defined by Public Comps) as of March 2022.

ACHIEVING \$5 BILLION+ ARR



Innovate



**Capture
secular trends**



**Expand
TAM**



**Gain
market share**



**Increase
wallet share**

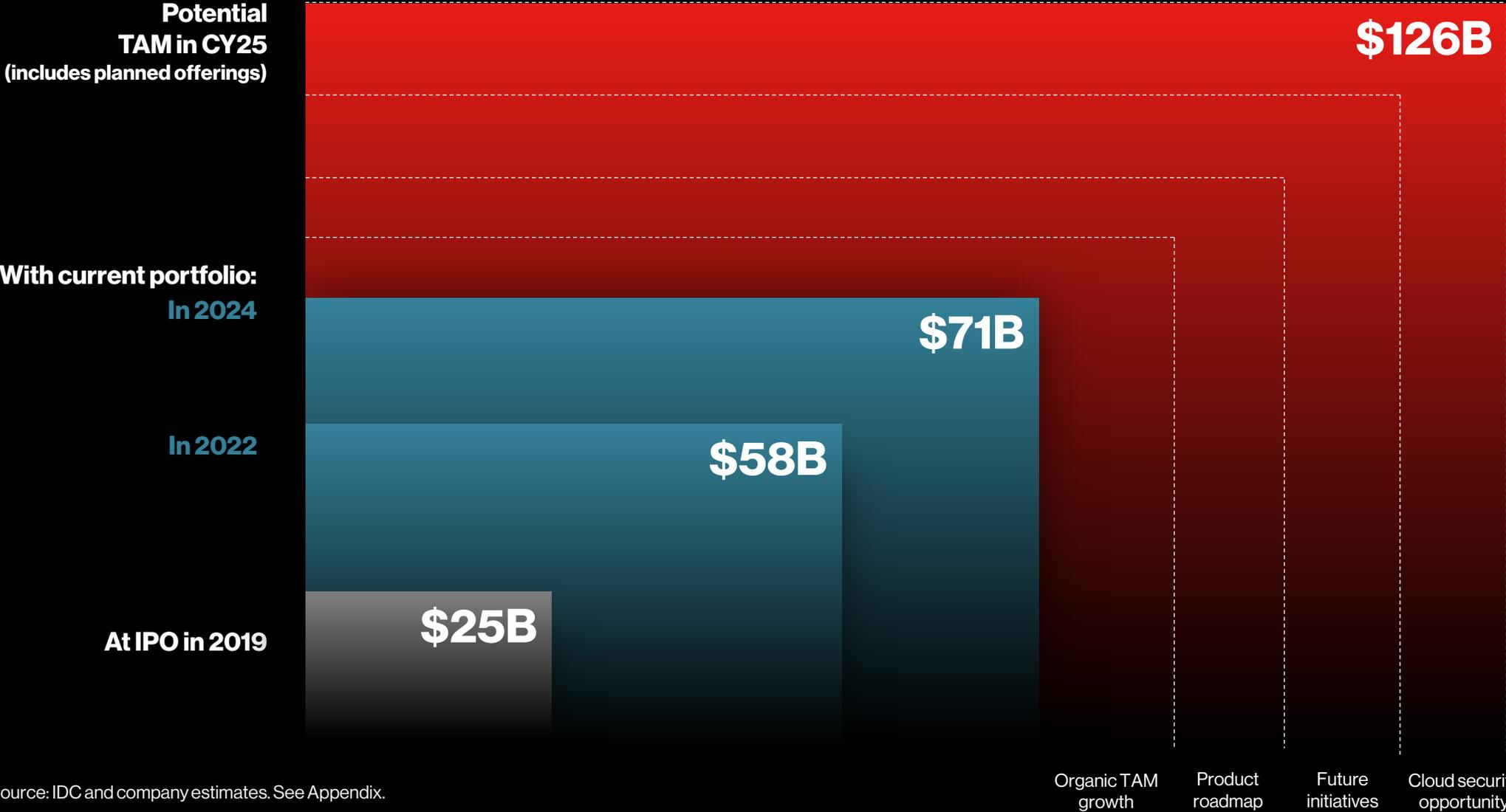
The journey is just beginning

Long-term TAM evolution



Source: IDC and company estimates.

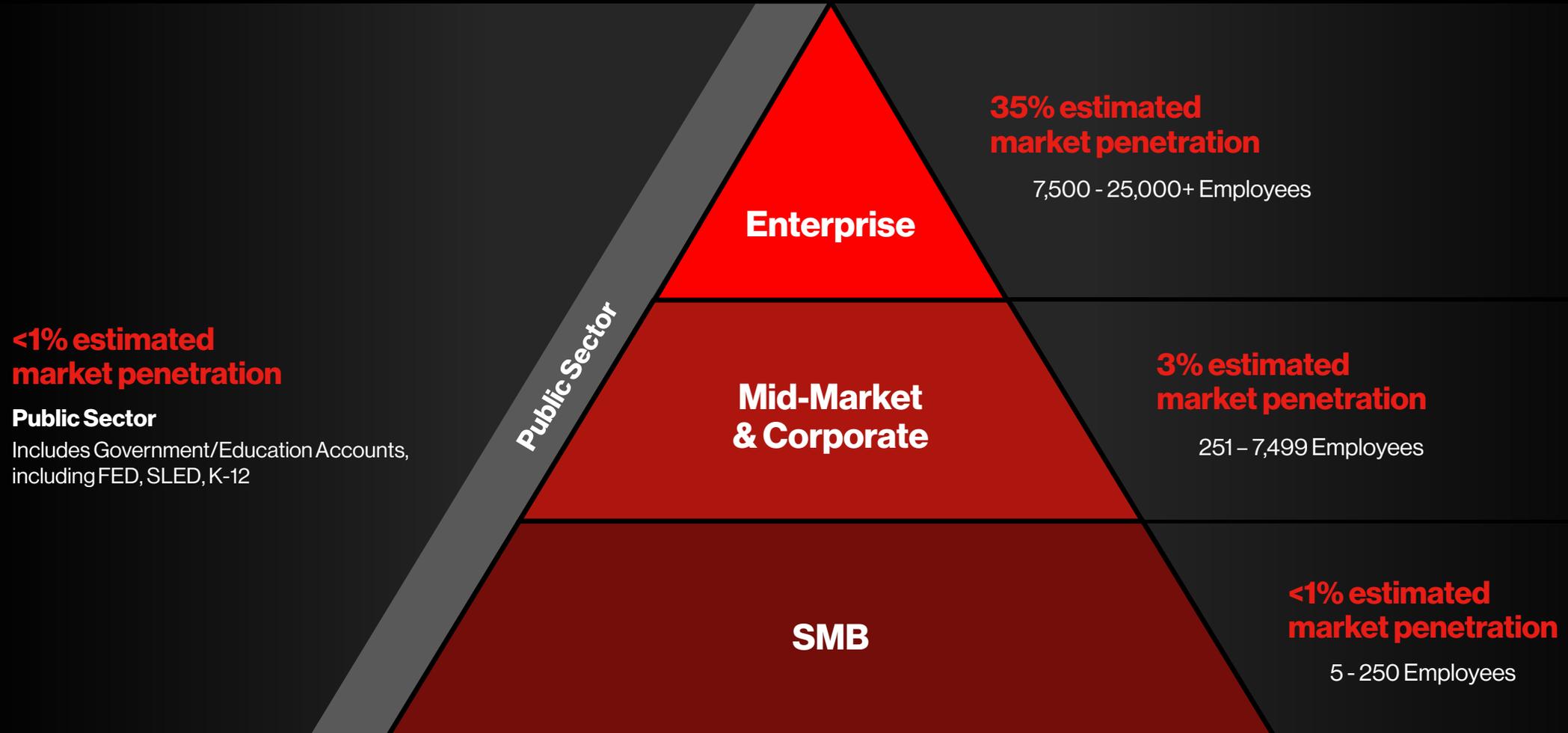
Long-term TAM evolution



Source: IDC and company estimates. See Appendix.

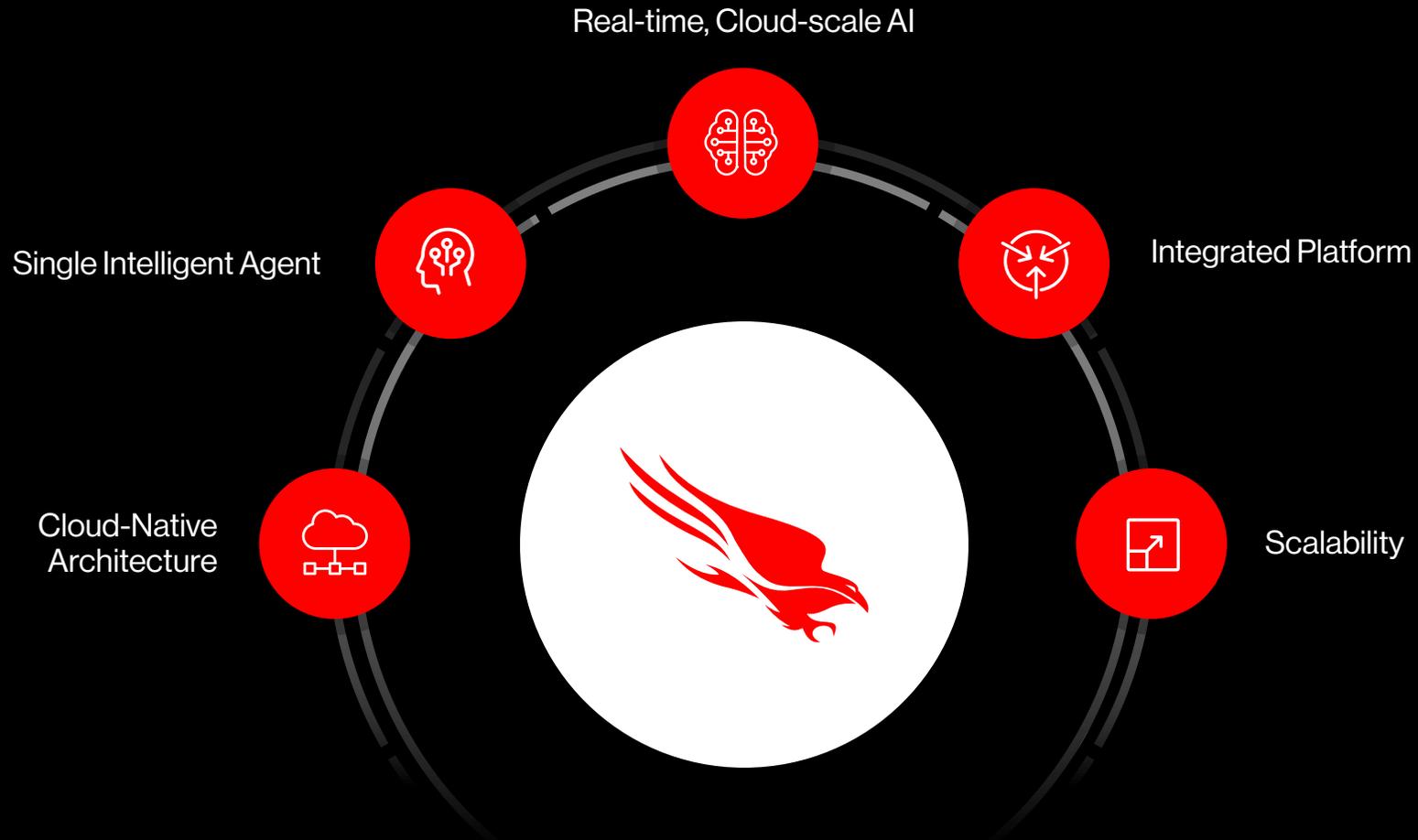


Significant runway for new logos globally

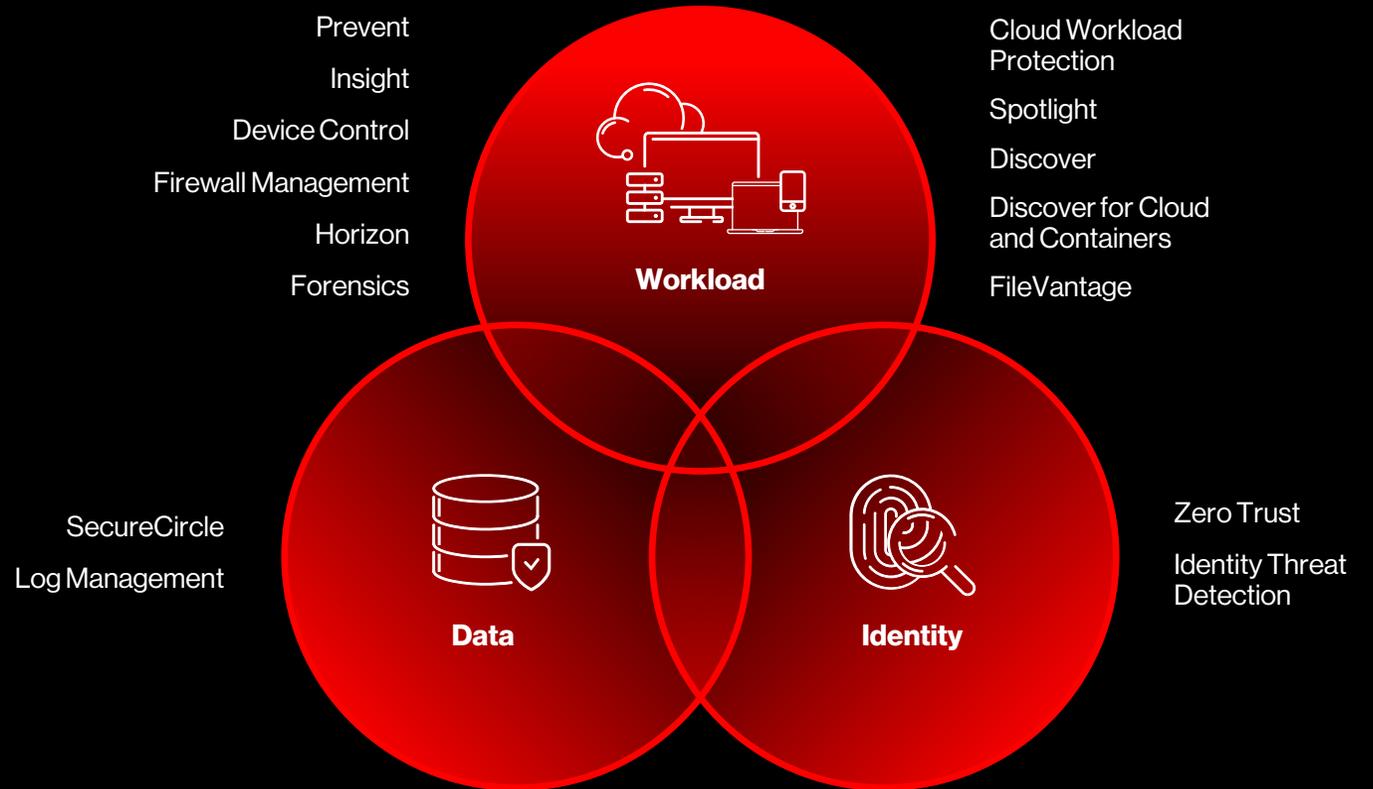


Source: D&B Hoovers, Government Navigator as of March 2022 and CrowdStrike internal data as of January 31, 2022. Excludes countries where CrowdStrike does not plan to do business.

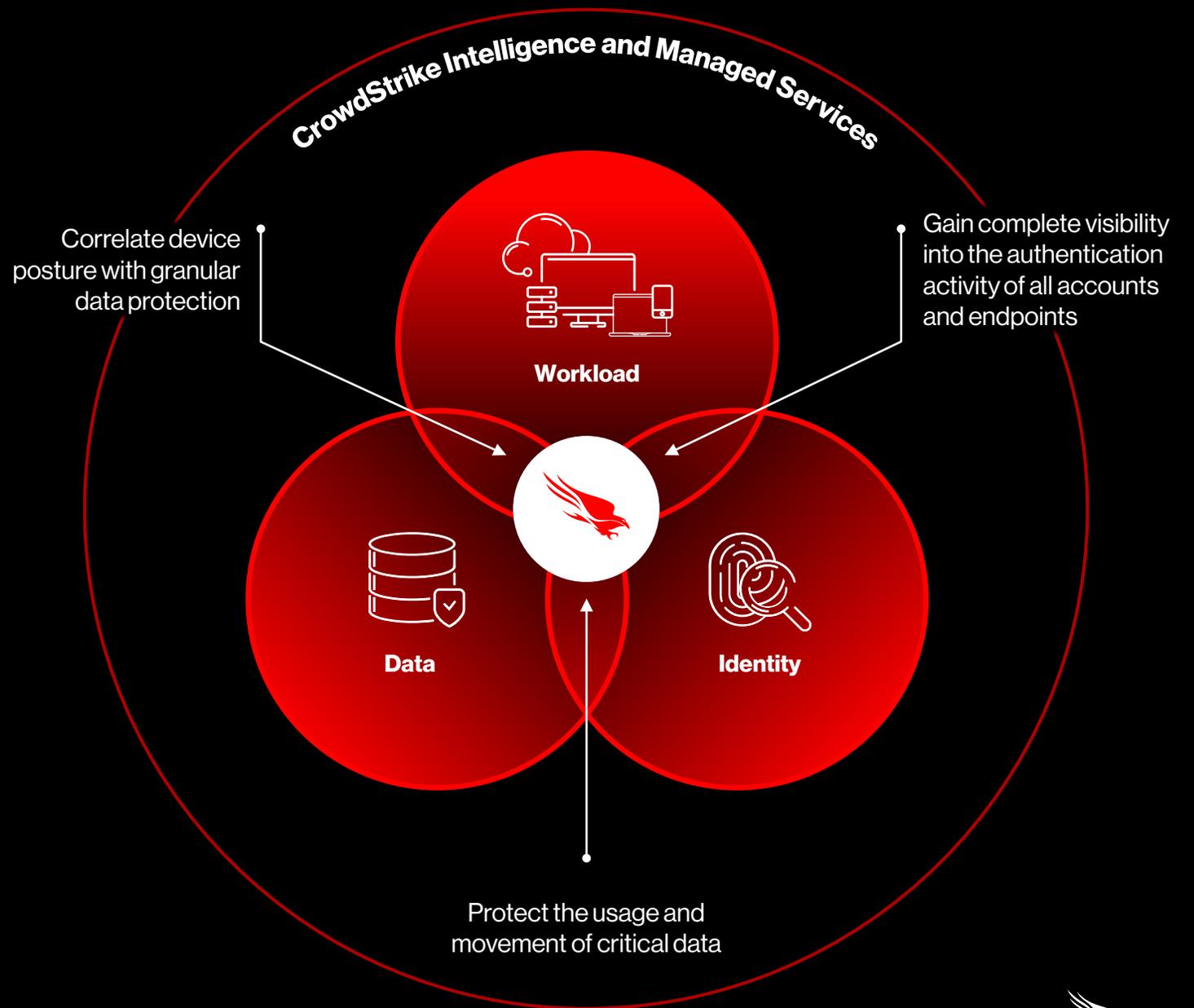
Strong competitive moat and barriers to entry



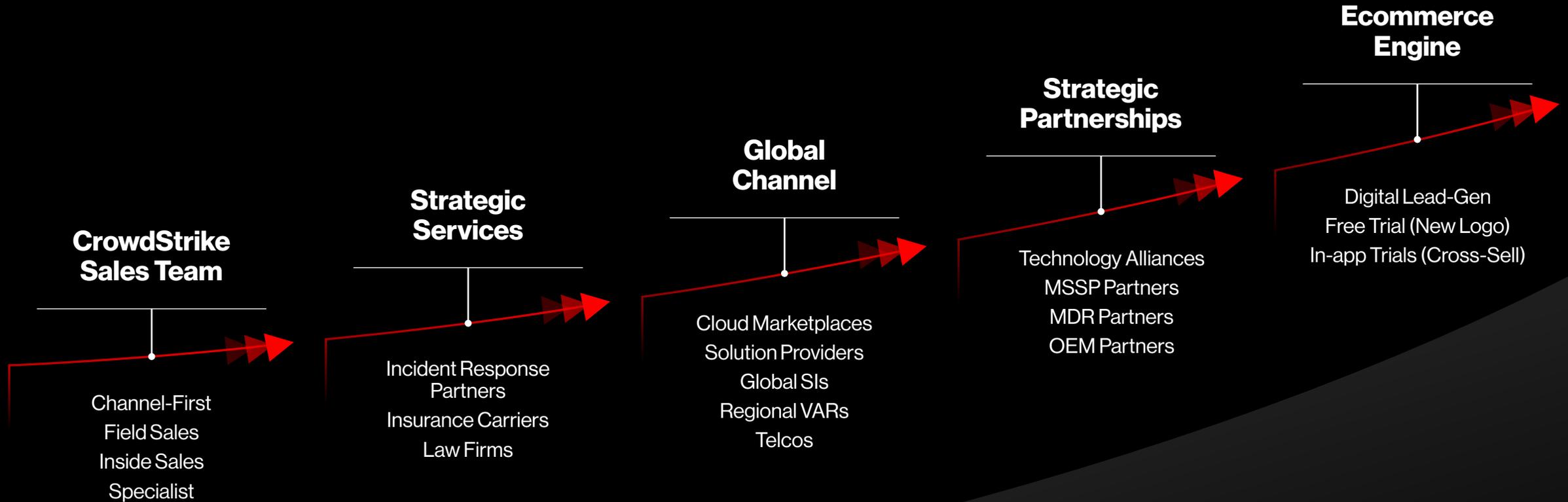
Zero Trust: Workload Identity Data



Zero Trust: Workload Identity Data



Multi-faceted go-to-market





Customer journey

George Kurtz

Co-Founder and CEO

Mike Sentonas

Chief Technology Officer



Growing our opportunity at scale

Burt Podbere
Chief Financial Officer

Another year of milestones

Surpassed
\$1.7B

Ending ARR

Achieved
\$681M

Net New ARR

Added
6,429

Net New Subscription Customers

79%

Non-GAAP Subscription
Gross Margin

13.5%

Non-GAAP
Operating Margin

30%

Free Cash
Flow Margin

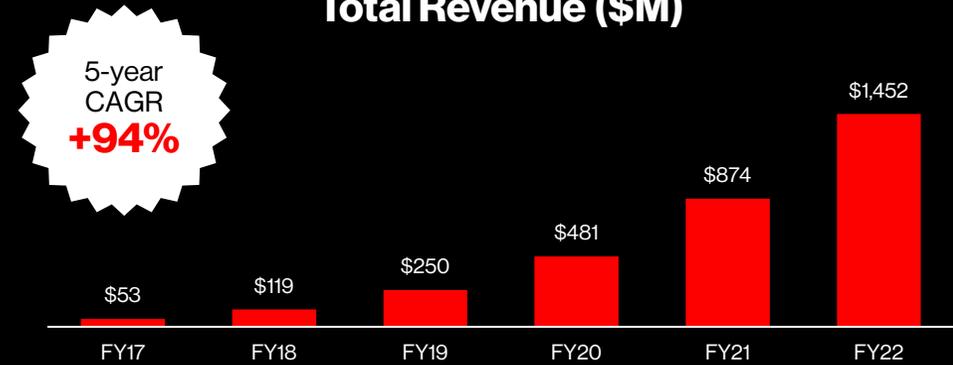
All financial figures as of fiscal year ended January 31, 2022. See Appendix for definition of metrics and reconciliations of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

Growth to date

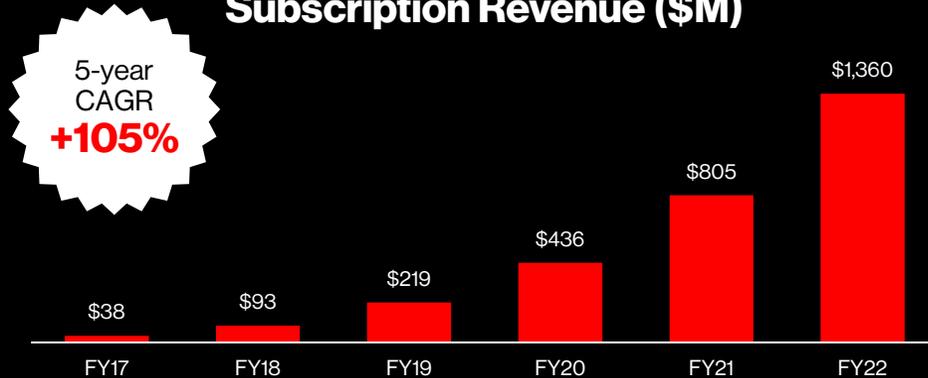
Ending ARR (\$M)



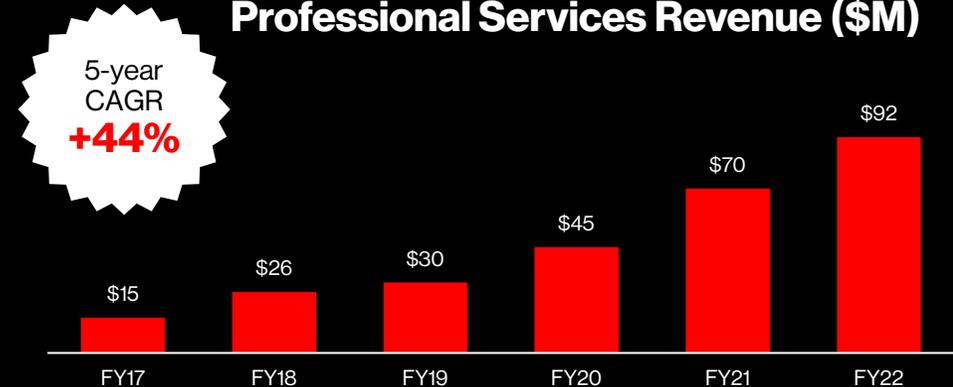
Total Revenue (\$M)



Subscription Revenue (\$M)



Professional Services Revenue (\$M)



Professional Services contribution



FY20
\$3.73

FY21
\$5.51

FY22
\$5.71

**Average subscription ARR derived from a customer for every \$1
spent on initial incident response or proactive services**

FY20 figure based on organizations who first became professional services customers after February 1, 2017. FY21 figure based on organizations who first became professional services customers after February 1, 2019. FY22 figure based on organizations who first became professional services customers after February 1, 2020. All figures as of their respective fiscal year end.

Prior Year

ACHIEVING
\$3 BILLION+ ARR
BY FY25

ACHIEVING
\$5 BILLION+ ARR

The path to \$5B+ ARR

Annual Recurring Revenue (\$M)

- Net New ARR
- Starting ARR



Applying just a 10% CAGR to FY22 Net New ARR over the next 4 years achieves \$5B+ in FY26

\$5B+

\$3B+

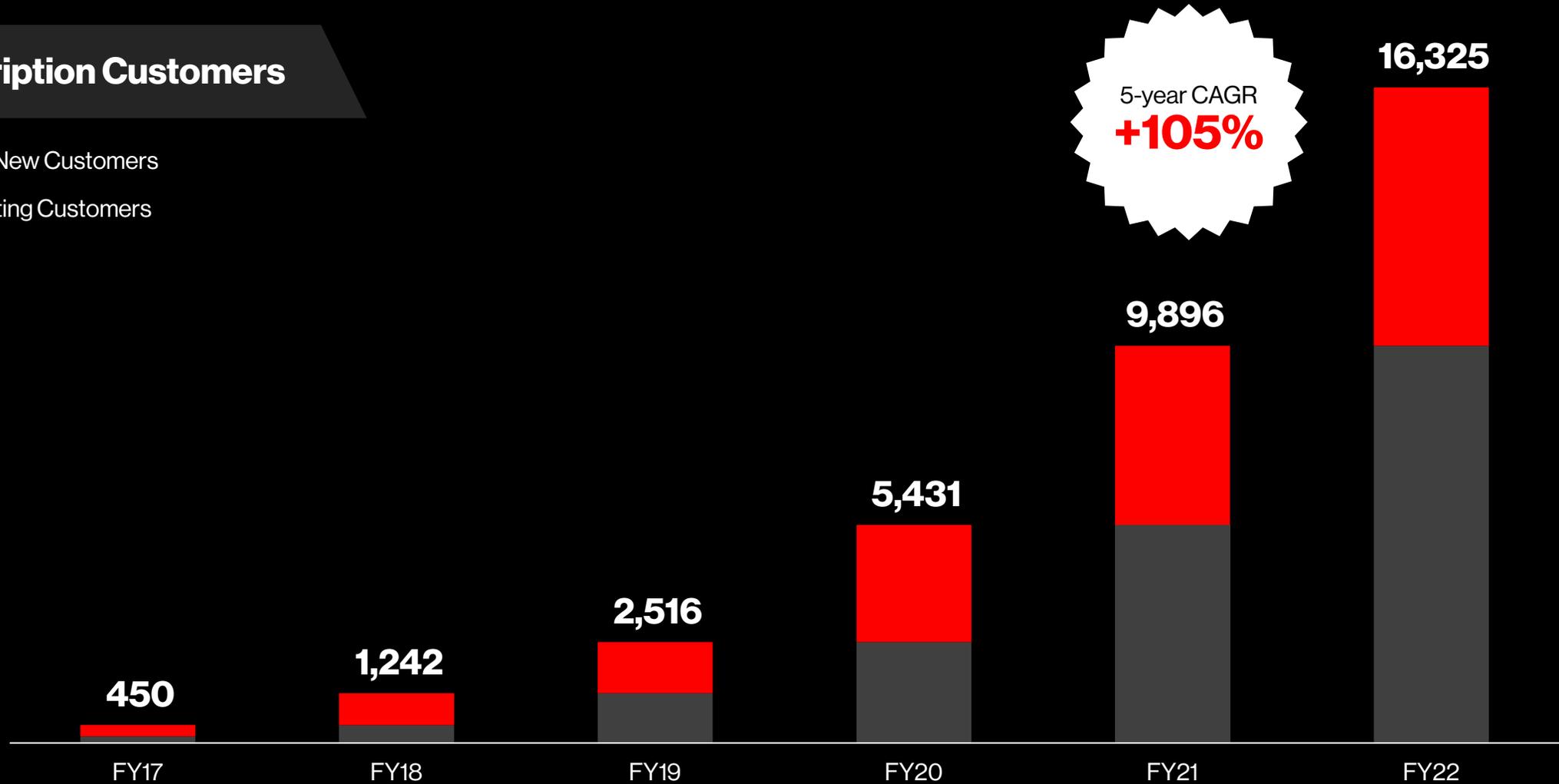


Growth dynamics

Rapidly expanding customer base

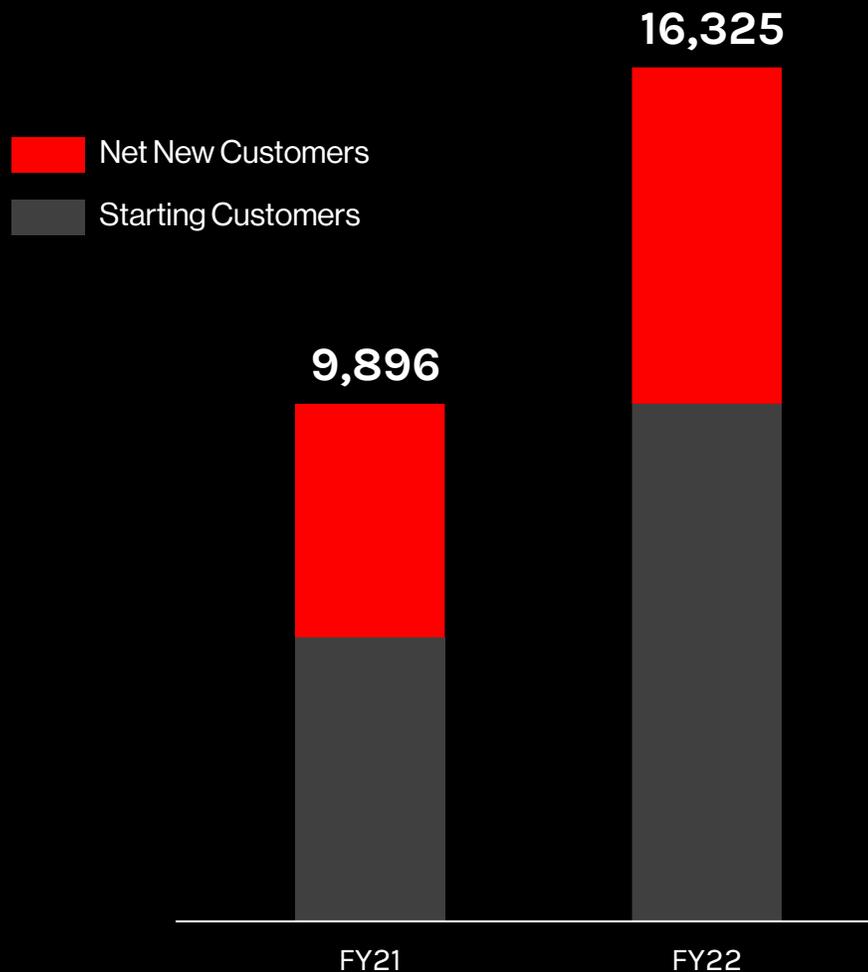
Subscription Customers

- Net New Customers
- Starting Customers



5-year CAGR
+105%

Winning in the enterprise



As of January 31, 2022

65

of the Fortune 100

+12%
YoY

254

of the Fortune 500

+44%
YoY

15

of the top 20 U.S. banks

+25%
YoY

526

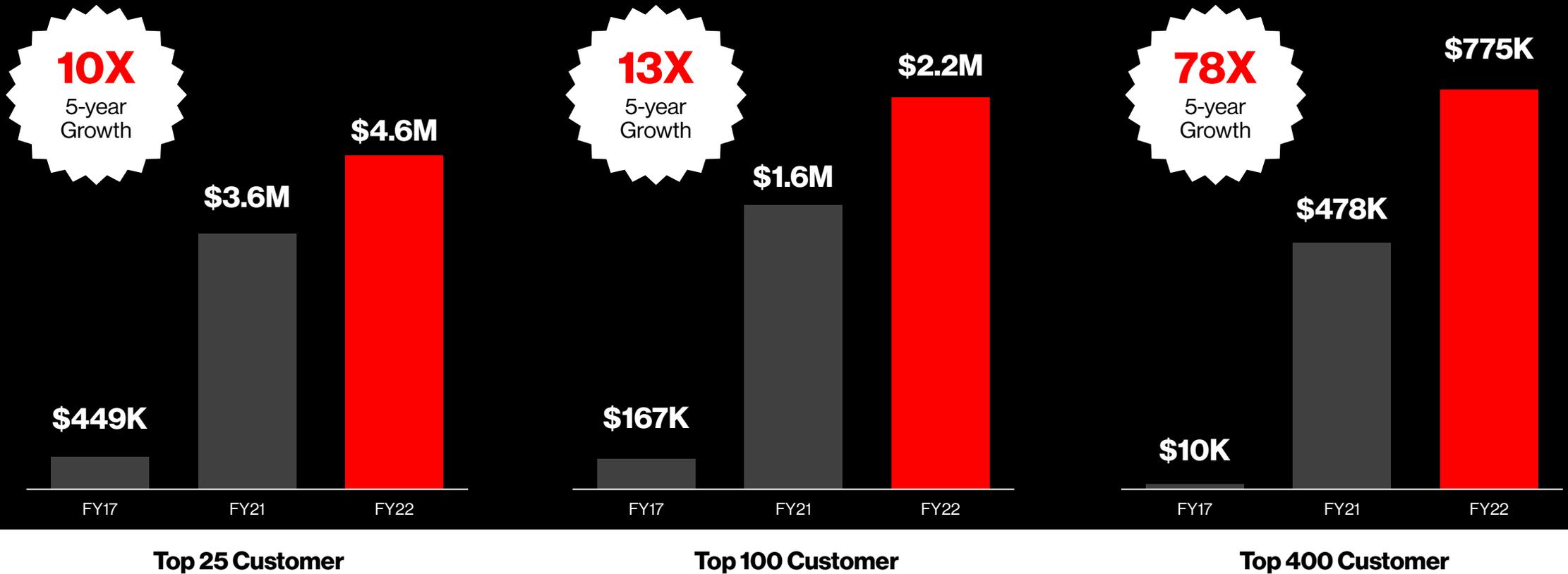
of the global 2000

+35%
YoY

Fortune rankings based on 2021 Fortune list. Top 20 U.S. banks includes "Diversified Financials" and "Commercial Banks" (as such categories are defined by Fortune) in the Fortune 500. Global 2000 rankings based on 2021 Forbes Global 2000 list.

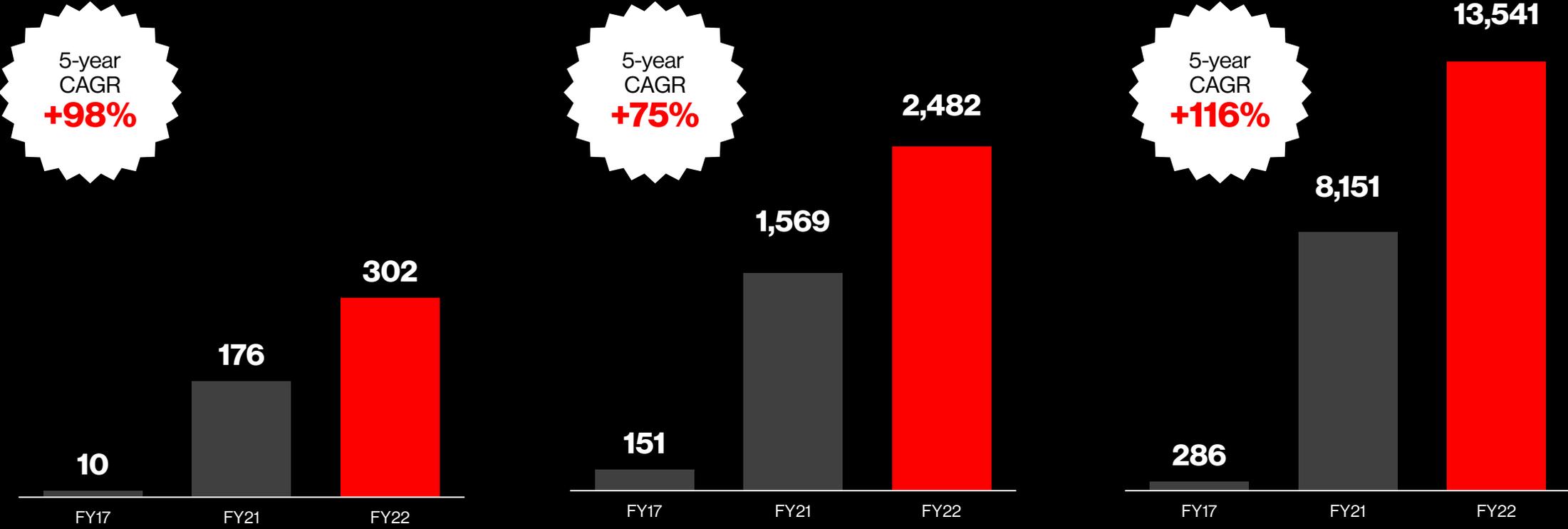
Growing success with top accounts

Minimum ARR required to be a top account



Winning customers of all sizes

Customer Count



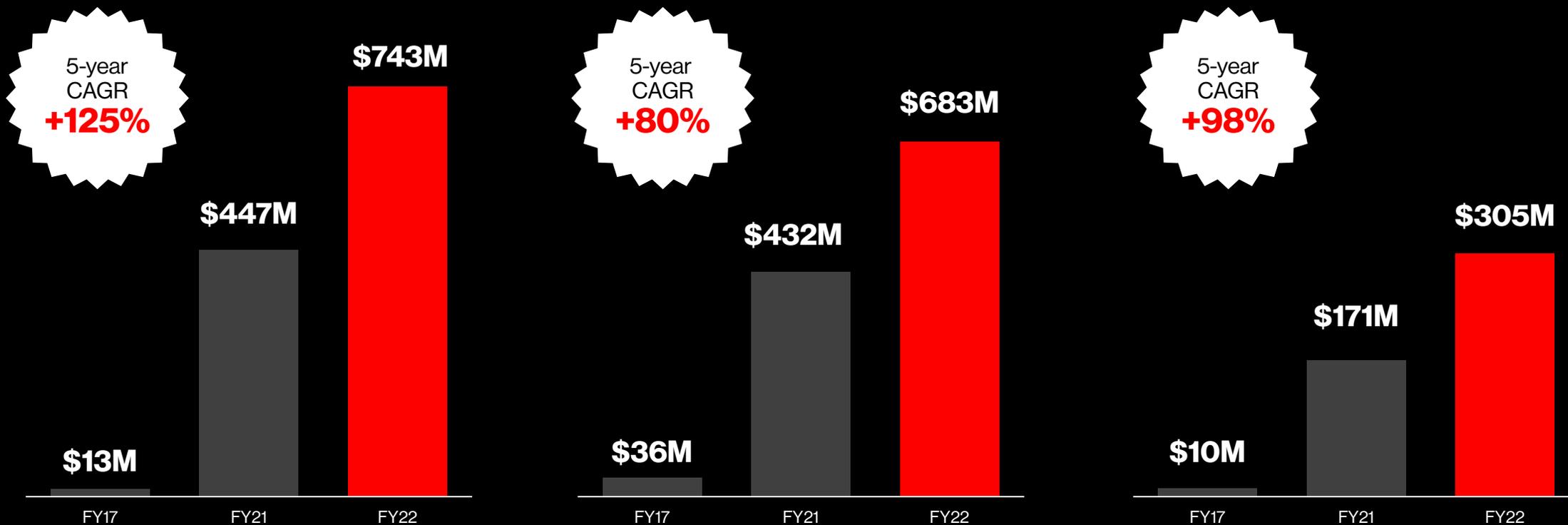
Customers >\$1M ARR

Customers \$100K to \$1M ARR

Customers <\$100K ARR

Growing customers of all sizes

Ending ARR \$



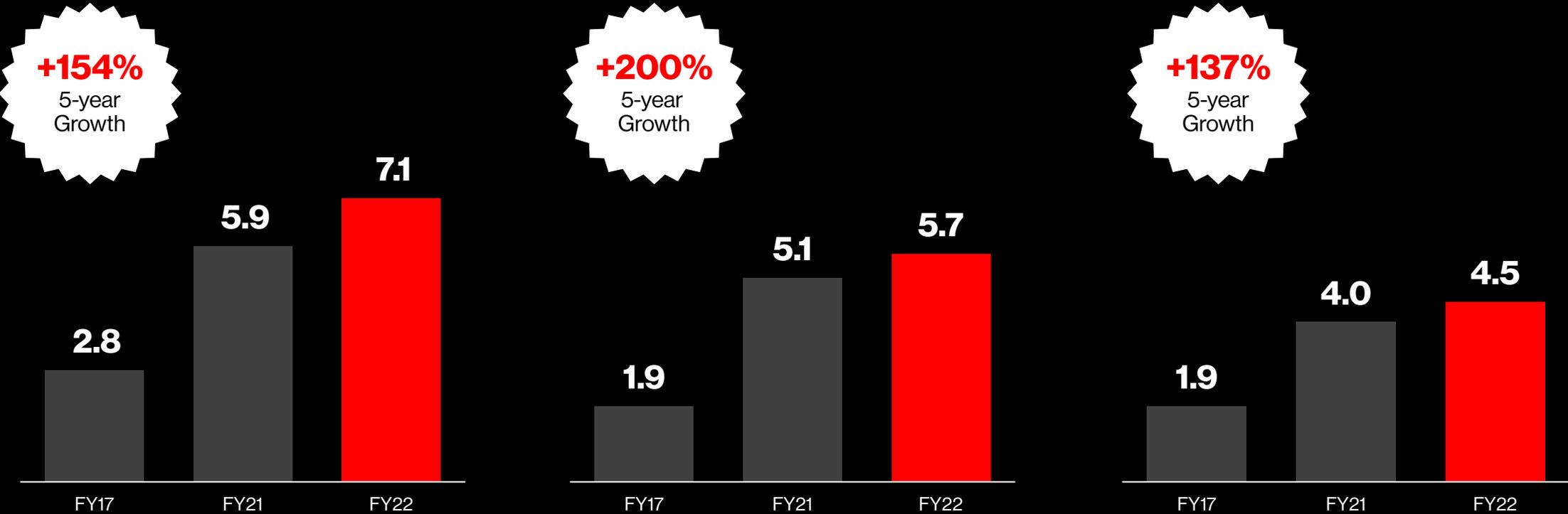
Ending ARR from Customers >\$1M ARR

Ending ARR from Customers \$100K to \$1M ARR

Ending ARR from Customers <\$100K ARR

Customers of all sizes adopting more modules

Average customer module count



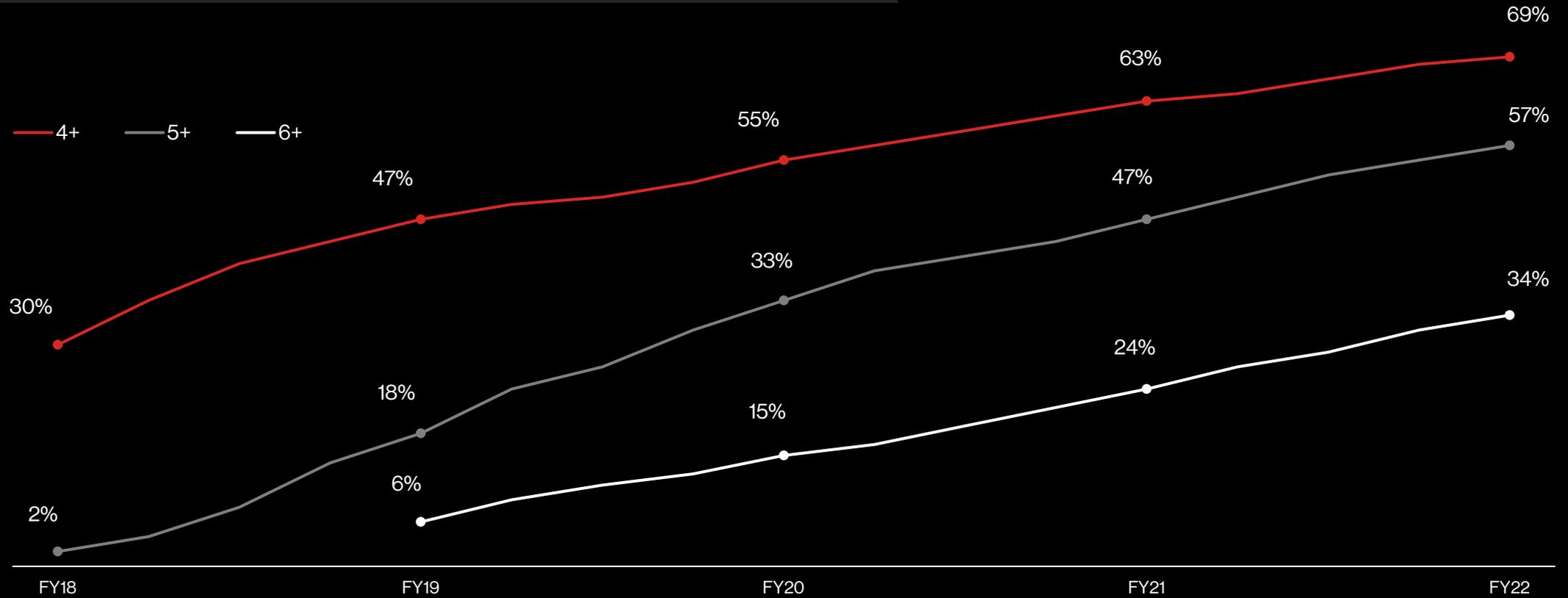
Avg. Module Count of Customers >\$1M ARR

Avg. Module Count of Customers \$100K to \$1M ARR

Avg. Module Count of Customers <\$100K ARR

Strong module adoption

% of subscription customers with multiple cloud modules



Module growth dynamics

Hyper growth modules

(YoY growth rates significantly higher than overall customer growth)

Cloud Workload Protection
Complete
Discover for Cloud & Container
Firewall Mgmt

Horizon
Identity Threat Detection
Spotlight
Zero Trust

New Modules

(No YoY comparison available)

Falcon X Recon
FileVantage
Forensics
Log Management
SecureCircle
XDR

High growth modules

(YoY growth rates similar to overall customer growth)

Device Control
Discover
Falcon X

Insight
OverWatch
Prevent

Specialty modules

(YoY growth rates lower than overall customer growth)

Sandbox

Search

Classifications are based on growth of year-over-year subscription customer counts as of January 31, 2022.

Landing bigger

Average module count of new customers

FY17

2.0

FY21

4.3

FY22

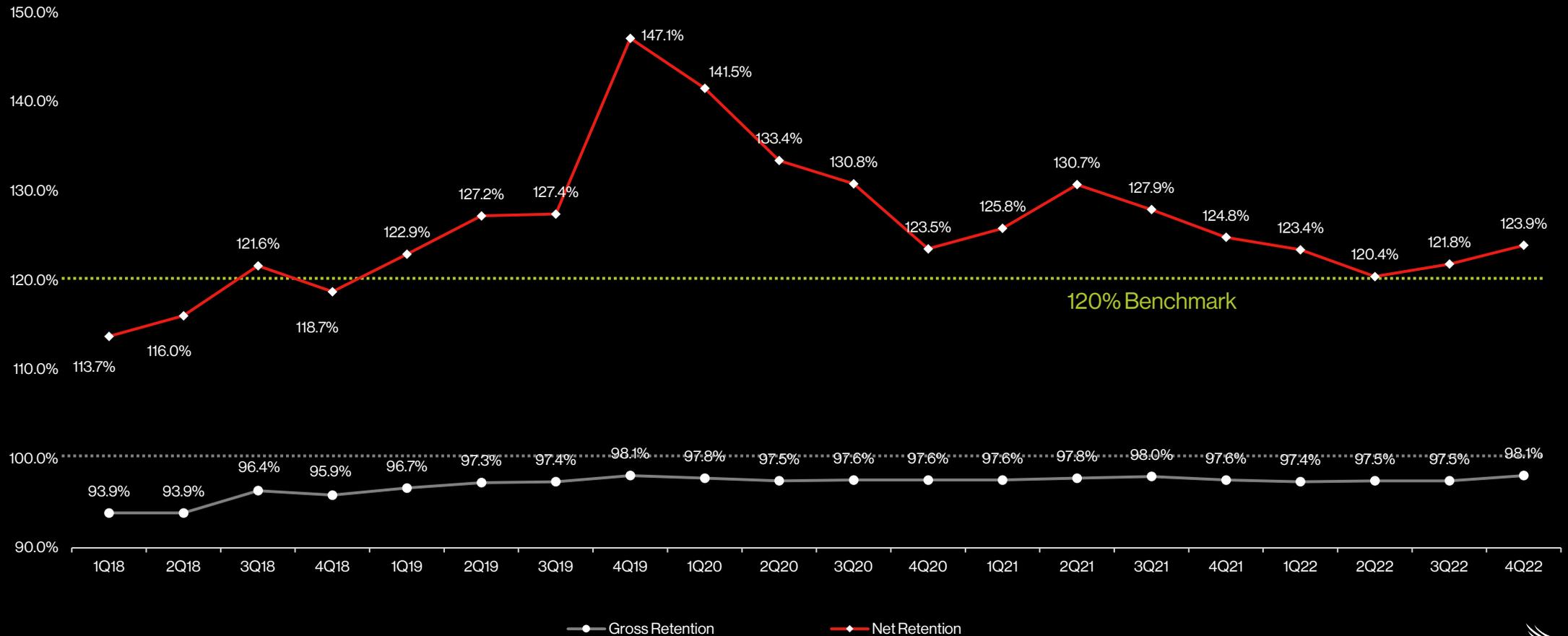
4.7

135% Growth

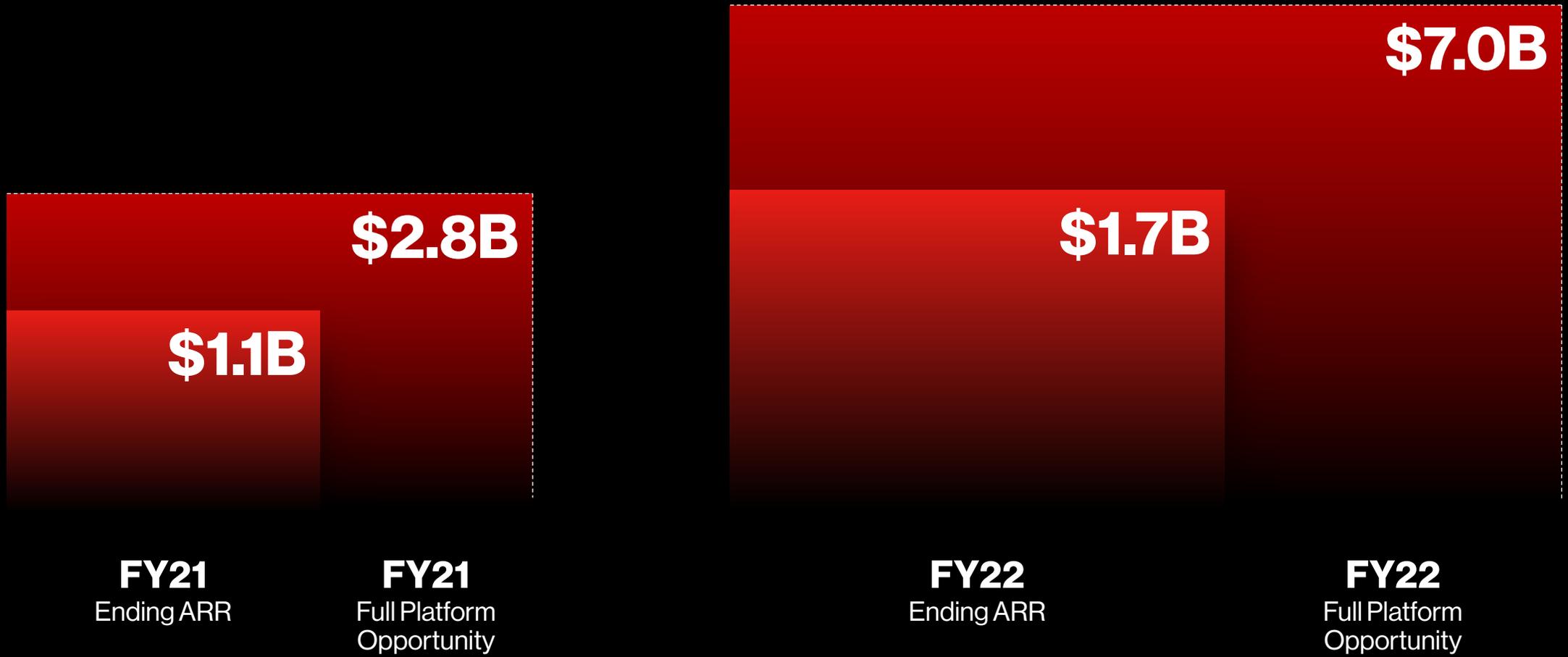


Strong customer retention & expansion

Dollar-Based Retention Rates for Subscription ARR (1-Year Prior Cohort)



Large expansion opportunity



“Full Platform Opportunity” figures assume all subscription customers as of the respective fiscal periods purchased all available platform modules during that fiscal period with consistent average sale prices and endpoint counts during such fiscal period.

Growth opportunities - Cloud

Public Cloud

\$106M
ARR

>5,000

Customers Deploying Falcon
in the Public Cloud as of 4Q22

20%

4Q22 ARR
growth QoQ

Public Cloud ARR represents ending ARR derived from CrowdStrike Falcon modules deployed in a public cloud environment as of the quarter ended January 31, 2022.

Growth opportunities – Emerging products

Emerging Products

\$157M
ARR

Discover & Spotlight

>75%

4Q22 YoY ARR growth

Identity Modules

>350%

4Q22 YoY ARR growth

Humio

>400%

FY22 ARR Growth¹

1) No year-over-year comparison available. FY22 ARR growth based on acquired ARR in the quarter ended April 30, 2021.

Emerging Products ARR represents ending ARR from Falcon Discover, Falcon Spotlight, Falcon Zero Trust, Falcon Identity Threat Detection, and Humio as of the quarter ended January 31, 2022.

Strong partner momentum

100%+

YoY Growth in AWS
Marketplace ARR

200%+

YoY Growth in MSSP
Partner ARR

83%

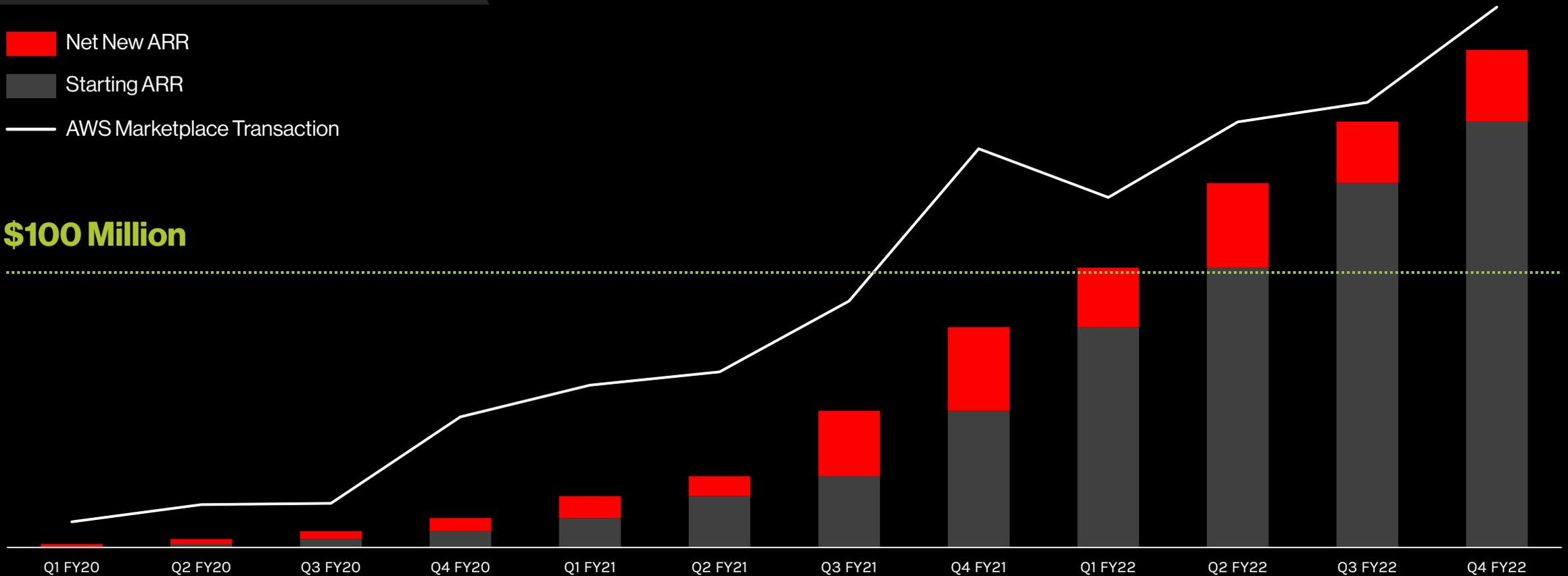
YoY Growth in Partner
Sourced ARR

AWS Marketplace

ARR from AWS Marketplace

- Net New ARR
- Starting ARR
- AWS Marketplace Transaction

\$100 Million



FY22/FY21

100%+ growth in ARR transacted through AWS Marketplace

75%+ growth in transaction volume

ACHIEVING \$5 BILLION+ ARR



Innovate



**Capture
secular trends**



**Expand
TAM**



**Gain
market share**



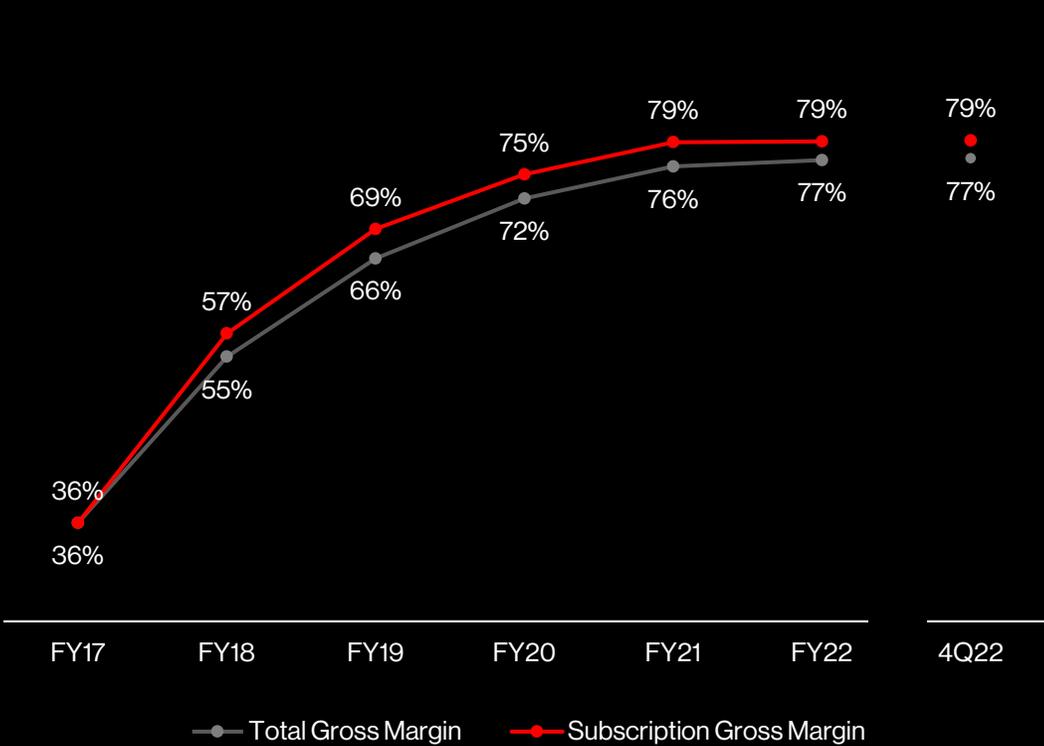
**Increase
wallet share**

The journey is just beginning

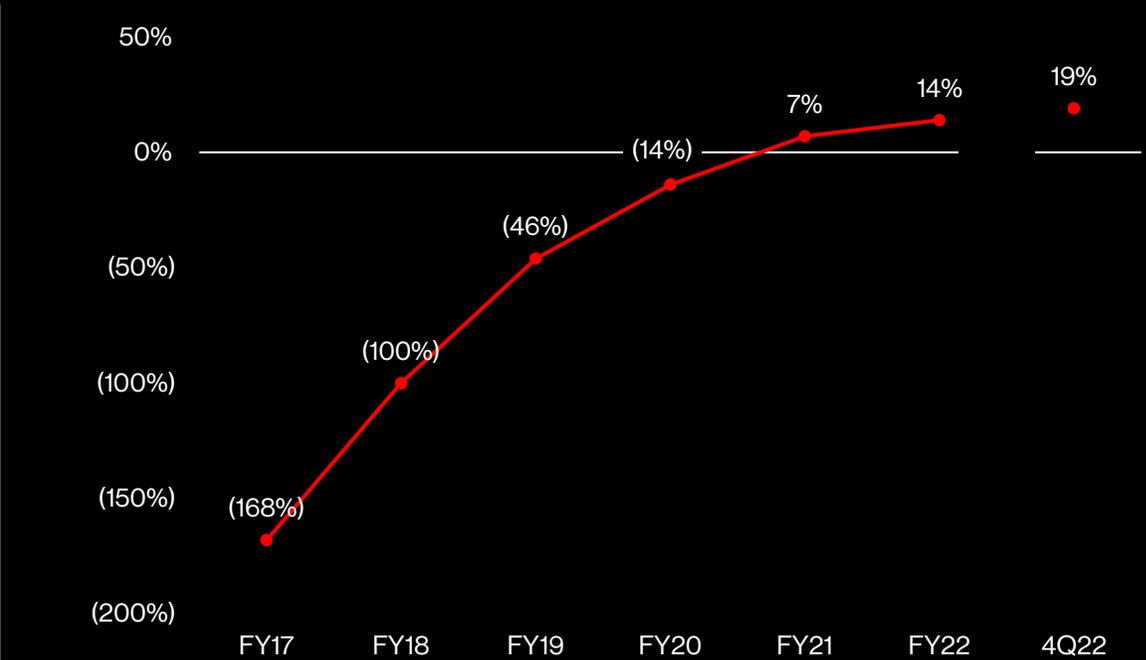
Investing in profitable growth at scale

Increasing operating leverage

Non-GAAP Gross Margins



Non-GAAP Operating Margins

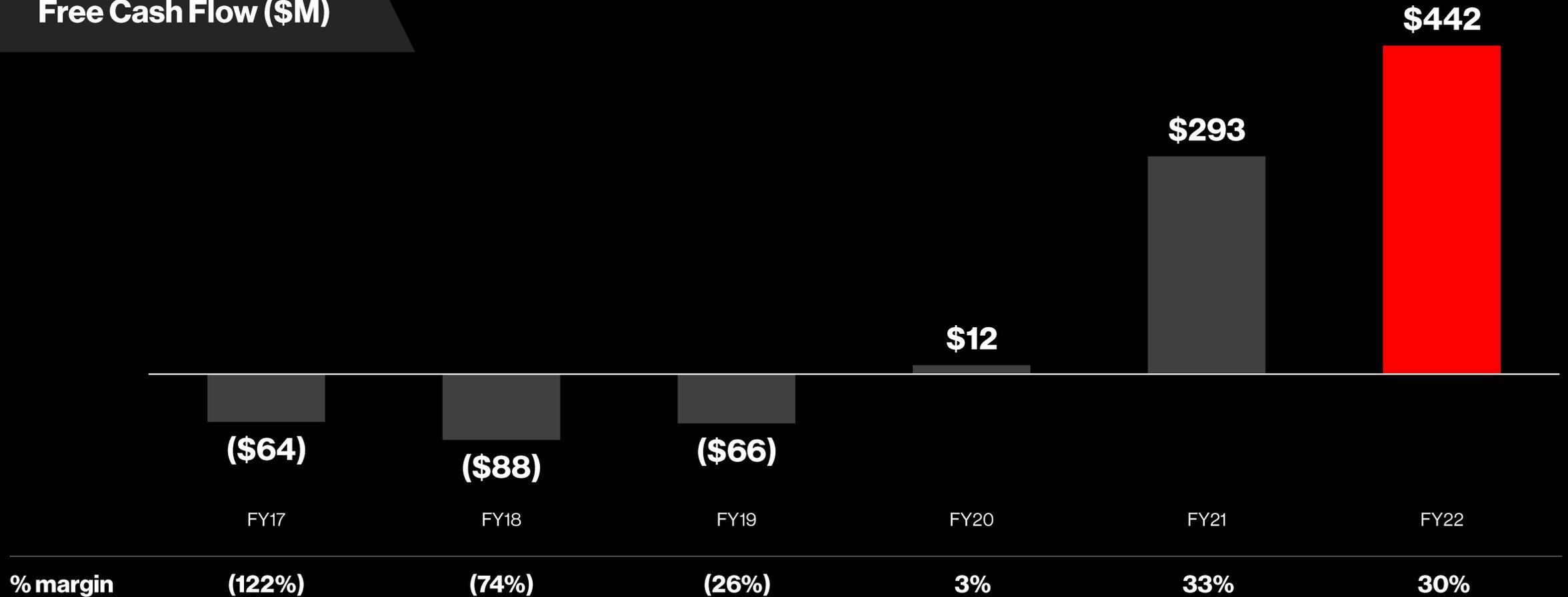


See Appendix for a reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.



Strong free cash flow

Free Cash Flow (\$M)



See Appendix for reconciliation of free cash flow to the most comparable GAAP financial measure.

Efficiency at scale

Magic Number

1.3

Rule of 40

81%

All financial figures as of or for the quarter ended January 31, 2022. See Appendix for metric definitions and calculation methodologies.

Achieving the target model

Non-GAAP Measure	Current Target (% of Revenue)	FY18	FY19	FY20	FY21	FY22	Year Expected to Maintain Target ¹
Subscription GM %	77-82%+	57%	69%	75%	79%	79%	FY21 ✓
S&M	30-35%	87%	67%	50%	40%	36%	FY25
R&D	15-20%	46%	31%	24%	20%	19%	FY25
G&A	7-9%	21%	14%	12%	9%	8%	FY21 ✓
Operating Margin %	20-22%+	-100%	-46%	-14%	7%	14%	FY25
Free Cash Flow %	30%+	-74%	-26%	3%	33%	30%	FY21 ✓

1) "Year Expected to Maintain Target", is defined as the fiscal year in which the company expects to achieve the target range during a given fiscal quarter within that year and remain within the target range prospectively. Target ranges do not include the impact of potential future M&A activity.

For fiscal years 2018 through 2022, see Appendix for a reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.



CROWDSTRIKE

Q&A



Appendix

Modeling considerations

Cash Flow

- Cash flow seasonality will typically trail net new ARR seasonality by one quarter
- Interest expense is paid out twice annually in Q1 and Q3, approximately \$11 million per payment
- ESPP purchase occurs twice annually in Q2 & Q4, and while essentially neutral to cash on an annual basis, it will appear as a cash outflow in Q2 and Q4

Interest Expense

- Interest expense is accrued quarterly and paid out twice annually in Q1 and Q3, approximately \$11 million per payment.
- Issuance cost amortization for both the Senior Notes and the revolving credit facility will be GAAP only charges. Interest expense on the Senior Notes and unused commitment fee for the revolver will be GAAP and non-GAAP

Stock-based Compensation

- We expect stock compensation as a percent of revenue in FY23 to remain consistent with FY22 and then begin declining to mid-teens as we approach FY26

Capital Expenditure

- We expect capital expenditure in FY23 to be 10% – 12% of revenue, weighted to the first half of the year
- Capex is expected to normalize to historical 5 – 8% levels beginning in FY24

APPENDIX

CALCULATION OF METRICS

Annual Recurring Revenue (ARR). ARR is calculated as the annualized value of our customer subscription contracts as of the measurement date, assuming any contract that expires during the next 12 months is renewed on its existing terms. To the extent that we are negotiating a renewal with a customer after the expiration of the subscription, we continue to include that revenue in ARR if we are actively in discussion with such an organization for a new subscription or renewal, or until such organization notifies us that it is not renewing its subscription.

Dollar-Based Net Retention Rate. Our dollar-based net retention rate compares our ARR from a set of subscription customers against the same metric for those subscription customers from the prior year. Our dollar-based net retention rate reflects customer renewals, expansion, contraction and churn, and excludes revenue from our incident response and proactive services. We calculate our dollar-based net retention rate as of period end by starting with the ARR from all subscription customers as of 12 months prior to such period end, or Prior Period ARR. We then calculate the ARR from these same subscription customers as of the current period end, or Current Period ARR. Current Period ARR includes any expansion and is net of contraction or churn over the trailing 12 months but excludes revenue from new subscription customers in the current period. We then divide the total Current Period ARR by the total Prior Period ARR to arrive at our dollar-based retention rate.

Dollar-Based Gross Retention Rate. We calculate our dollar-based gross retention rate as of the period end by starting with the ARR from all subscription customers as of 12 months prior to such period, or Prior Period ARR. We then deduct from the Prior Period ARR any ARR from subscription customers who are no longer customers as of the current period end, or Current Period Remaining ARR. We then divide the total Current Period Remaining ARR by the total Prior Period ARR to arrive at our dollar-based gross retention rate, which is the percentage of ARR from all subscription customers as of the year prior that is not lost to customer churn.

Gross Churn. Our dollar-based gross churn rate is equal to $1 - \text{Dollar-Based Gross Retention Rate}$.

APPENDIX (CONT'D)

Magic Number is calculated by performing the following calculation for the most recent four quarters and taking the average: annualizing the difference between a quarter's Subscription Revenue and the prior quarter's Subscription Revenue, and then dividing the resulting number by the previous quarter's Non-GAAP Sales & Marketing Expense. Magic Number = Average of previous four quarters: $((\text{Quarter GAAP Subscription Revenue} - \text{Prior Quarter GAAP Subscription Revenue}) \times 4) / \text{Prior Quarter Non-GAAP Sales \& Marketing Expense}$.

Rule of 40 = Current Quarter Total Revenue YoY Growth Rate + Current Quarter Non-GAAP Operating Margin.

REPORTS

Reports used for data shown in the charts titled "Our Large and Expanding TAM" and "Long-Term TAM evolution":

At IPO in 2019:

- International Data Corporation, *Market Analysis Perspective: Worldwide Managed Security Services Providers*, 2018, September 2018.
- International Data Corporation, *Market Forecast - Worldwide IT Asset Management Software Forecast, 2018-2022: Asset Management Accelerates as Digital Transformation Changes What Assets Must Be Managed*, September 2018.
- International Data Corporation, *Market Forecast - Worldwide Corporate Endpoint Security Forecast, 2018-2022*, July 2018.
- International Data Corporation, *Market Forecast - Worldwide Security and Vulnerability Forecast, 2018-2022: SVM Vendors Fight Off New Market Entrants*, July 2018.
- International Data Corporation, *Market Forecast - Worldwide Threat Intelligence Security Services Forecast, 2017-2021*, November 2017.
- International Data Corporation, *Market Forecast - Worldwide IT Security Products Forecast, 2017-2021: Comprehensive Security Products Forecast Review*, February 2018.
- International Data Corporation, *Market Forecast - Worldwide Mobile Enterprise Security Software Forecast, 2017-2021*, December 2017.

With Current Portfolio in CY22 and CY24:

- International Data Corporation, *Market Forecast - Worldwide Corporate Endpoint Security Forecast, 2021-2025: On a Higher Growth Trajectory*, June 2021.
- International Data Corporation, *Market Forecast - Worldwide Cloud Workload Security Forecast, 2021-2025: Expanding Requirements and the March to Cloud Fuel the Market*, June 2021.
- International Data Corporation, *Market Forecast - Worldwide Cybersecurity AIRO and Tier 2 SOC Analytics Forecast, 2021-2025: Is the Pathway to XDR Paved with Good Intentions?*, August 2021.
- International Data Corporation, *Market Forecast - Worldwide and U.S. Comprehensive Security Services Forecast, 2021-2025: Growth Continues During and Beyond COVID-19*, June 2021.
- International Data Corporation, *Market Forecast - Worldwide Unified Endpoint Management Software Forecast, 2021-2025*, August 2021.
- International Data Corporation, *Market Forecast - Worldwide Identity Forecast, 2021-2025: Improving Identity Hygiene - It's Time for a Second Shot*, July 2021.
- International Data Corporation, *Market Forecast - Worldwide IT Operations Analytics Software Forecast, 2021-2025: Data Volumes and AIOps Capabilities Drive Growth*, October 2021.
- International Data Corporation, *Market Forecast - Worldwide Data Loss Technologies Forecast, 2021-2025: Digital Transformation Tools Applied to the Data Protection Task*, October 2021.
- International Data Corporation, *Market Forecast - Worldwide Endpoint Encryption and Key Management Infrastructure Software Forecast, 2019-2023*, May 2019.

Potential TAM in CY25:

- Company estimate

APPENDIX (CONT'D)

Reports used for data shown in the charts titled “Cloud Workloads are Under Protected” and “The Cloud Security Opportunity”:

- International Data Corporation, *Semiannual Public Cloud Services: 2019H2 Forecast Release*, May 2020
- International Data Corporation, *Market Forecast – Hybrid Cloud Workload Security Forecast, 2020-2024: Inhibited Growth Is the Reality of COVID-19*, July 2020.
- CSO Online, *How Much Should You Spend on Security?*, August 2019
- The company’s estimate of cloud security spend as a percentage of IT spend is intended to be an illustrative example of the potential market opportunity if cloud workloads were to be fully secured in the future. This figure is based on IDC’s recommended range as well as observed historical spending ratios for traditional security spend.

EXPLANATION OF NON-GAAP FINANCIAL MEASURES

Non-GAAP Subscription Gross Profit and Non-GAAP Subscription Gross Margin

We define non-GAAP subscription gross profit and non-GAAP subscription gross margin as GAAP subscription gross profit and GAAP subscription gross margin, respectively, excluding stock-based compensation expense and amortization of acquired intangible assets. We believe non-GAAP subscription gross profit and non-GAAP subscription gross margin provide our management and investors consistency and comparability with our past financial performance and facilitate period-to-period comparisons of operations, as these measures eliminate the effects of certain variables unrelated to our overall operating performance.

Non-GAAP Income (Loss) from Operations

We define non-GAAP income (loss) from operations as GAAP loss from operations excluding stock-based compensation expense, amortization of acquired intangible assets, including purchased patents, acquisition-related expenses and legal reserve and settlement charges or benefits. We believe non-GAAP income (loss) from operations provides our management and investors consistency and comparability with our past financial performance and facilitate period-to-period comparisons of operations, as this metric generally eliminates the effects of certain variables unrelated to our overall operating performance.

Non-GAAP Net Income (Loss) Attributable to CrowdStrike

We define non-GAAP net income (loss) attributable to CrowdStrike as GAAP net loss attributable to CrowdStrike excluding stock-based compensation expense, amortization of acquired intangible assets, including purchased patents, acquisition-related expenses, amortization of debt issuance costs and discount, gain on strategic investments, legal reserve and settlement charges or benefits and the tax costs for intellectual property integration relating to the Humio acquisition. We believe non-GAAP net income (loss) attributable to CrowdStrike provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons, as this metric generally eliminates the effects of certain variables unrelated to our overall performance.

APPENDIX (CONT'D)

Non-GAAP Net Income per Share Attributable to CrowdStrike Common Stockholders, Basic and Diluted

We define non-GAAP net income per share attributable to CrowdStrike common stockholders, as non-GAAP net income attributable to CrowdStrike divided by the weighted-average shares outstanding, which includes the dilutive effect of potentially diluted common stock equivalents outstanding during the period. We may periodically incur charges or receive payments in connection with litigation settlements. We exclude these charges and payments received from non-GAAP net income attributable to CrowdStrike when associated with a significant settlement because we do not believe they are reflective of ongoing business and operating results.

Free Cash Flow

Free cash flow is a non-GAAP financial measure that we define as net cash provided by (used in) operating activities less purchases of property and equipment and capitalized internal-use software. We monitor free cash flow as one measure of our overall business performance, which enables us to analyze our future performance without the effects of non-cash items and allow us to better understand the cash needs of our business. While we believe that free cash flow is useful in evaluating our business, free cash flow is a non-GAAP financial measure that has limitations as an analytical tool, and free cash flow should not be considered as an alternative to, or substitute for, net cash provided by (used in) operating activities in accordance with GAAP. The utility of free cash flow as a measure of our liquidity is further limited as it does not represent the total increase or decrease in our cash balance for any given period. In addition, other companies, including companies in our industry, may calculate free cash flow differently or not at all, which reduces the usefulness of free cash flow as a tool for comparison.

GAAP INCOME STATEMENT

CROWDSTRIKE HOLDINGS, INC.
Condensed Consolidated Statements of Operations
(in thousands)
(unaudited)

	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22
Revenue								
Subscription	\$ 162,222	\$ 184,256	\$ 213,530	\$ 244,662	\$ 281,228	\$ 315,836	\$ 357,030	\$ 405,443
Professional services	15,856	14,715	18,930	20,267	21,615	21,854	23,021	25,567
Total revenue	<u>178,078</u>	<u>198,971</u>	<u>232,460</u>	<u>264,929</u>	<u>302,843</u>	<u>337,690</u>	<u>380,051</u>	<u>431,010</u>
Cost of revenue								
Subscription	37,244	44,037	49,583	54,348	64,903	75,993	85,464	95,544
Professional services	9,651	10,354	11,944	12,384	13,602	14,439	16,200	17,076
Total cost of revenue	<u>46,895</u>	<u>54,391</u>	<u>61,527</u>	<u>66,732</u>	<u>78,505</u>	<u>90,432</u>	<u>101,664</u>	<u>112,620</u>
Gross profit								
Subscription	124,978	140,219	163,947	190,314	216,325	239,843	271,566	309,899
Professional services	6,205	4,361	6,986	7,883	8,013	7,415	6,821	8,491
Total gross profit	<u>131,183</u>	<u>144,580</u>	<u>170,933</u>	<u>198,197</u>	<u>224,338</u>	<u>247,258</u>	<u>278,387</u>	<u>318,390</u>
Operating expenses								
Sales and marketing	88,138	95,127	105,602	112,449	135,131	153,861	164,960	162,594
Research and development	40,578	50,483	57,539	66,070	78,180	90,455	97,630	105,018
General and administrative	25,043	28,961	31,951	35,481	42,374	50,345	56,061	74,312
Total operating expenses	<u>153,759</u>	<u>174,571</u>	<u>195,092</u>	<u>214,000</u>	<u>255,685</u>	<u>294,661</u>	<u>318,651</u>	<u>341,924</u>
Loss from operations	(22,576)	(29,991)	(24,159)	(15,803)	(31,347)	(47,403)	(40,264)	(23,534)
Interest expense	(143)	(174)	(193)	(1,049)	(6,230)	(6,296)	(6,403)	(6,302)
Other income, net	4,533	732	272	682	4,768	619	690	1,679
Loss before provision for income taxes	<u>(18,186)</u>	<u>(29,433)</u>	<u>(24,080)</u>	<u>(16,170)</u>	<u>(32,809)</u>	<u>(53,080)</u>	<u>(45,977)</u>	<u>(28,157)</u>
Provision for income taxes	1,036	441	451	2,832	50,062	4,238	4,473	13,582
Net loss	<u>(19,222)</u>	<u>(29,874)</u>	<u>(24,531)</u>	<u>(19,002)</u>	<u>(82,871)</u>	<u>(57,318)</u>	<u>(50,450)</u>	<u>(41,739)</u>
Net income attributable to noncontrolling interest	—	—	—	—	2,178	—	5	241
Net loss attributable to CrowdStrike	<u>\$ (19,222)</u>	<u>\$ (29,874)</u>	<u>\$ (24,531)</u>	<u>\$ (19,002)</u>	<u>\$ (85,049)</u>	<u>\$ (57,318)</u>	<u>\$ (50,455)</u>	<u>\$ (41,980)</u>
Net loss per share attributable to CrowdStrike common stockholders, basic and diluted	<u>\$ (0.09)</u>	<u>\$ (0.14)</u>	<u>\$ (0.11)</u>	<u>\$ (0.09)</u>	<u>\$ (0.38)</u>	<u>\$ (0.25)</u>	<u>\$ (0.22)</u>	<u>\$ (0.18)</u>
Weighted-average shares used in computing net loss per share attributable to CrowdStrike common stockholders, basic and diluted	<u>213,129</u>	<u>216,695</u>	<u>219,401</u>	<u>221,700</u>	<u>224,153</u>	<u>226,362</u>	<u>228,293</u>	<u>229,662</u>

GAAP TO NON-GAAP RECONCILIATION

CROWDSTRIKE HOLDINGS, INC.
 Statements of Operations: GAAP to Non-GAAP Reconciliations (continued)
 (in thousands, except per share data)
 (unaudited)

	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22
GAAP cost of revenue	\$ 46,895	\$ 54,391	\$ 61,527	\$ 66,732	\$ 78,505	\$ 90,432	\$ 101,664	\$ 112,620
Less:								
Stock based compensation expense	2,966	4,060	4,777	5,907	6,313	7,683	8,515	9,583
Amortization of acquired intangible assets	62	63	272	660	1,995	2,771	2,784	3,208
Non-GAAP cost of revenue	\$ 43,867	\$ 50,268	\$ 56,478	\$ 60,165	\$ 70,197	\$ 79,978	\$ 90,365	\$ 99,829
GAAP subscription gross profit	\$ 124,978	\$ 140,219	\$ 163,947	\$ 190,314	\$ 216,325	\$ 239,843	\$ 271,566	\$ 309,899
Add:								
Stock based compensation expense	1,995	2,635	3,226	3,849	4,285	5,294	5,969	6,496
Amortization of acquired intangible assets	62	63	272	660	1,995	2,771	2,784	3,208
Non-GAAP subscription gross profit	\$ 127,035	\$ 142,917	\$ 167,445	\$ 194,823	\$ 222,605	\$ 247,908	\$ 280,319	\$ 319,603
GAAP professional services gross profit	\$ 6,205	\$ 4,361	\$ 6,986	\$ 7,883	\$ 8,013	\$ 7,415	\$ 6,821	\$ 8,491
Add:								
Stock based compensation expense	971	1,425	1,551	2,058	2,028	2,389	2,546	3,087
Non-GAAP professional services gross profit	\$ 7,176	\$ 5,786	\$ 8,537	\$ 9,941	\$ 10,041	\$ 9,804	\$ 9,367	\$ 11,578
GAAP Sales and marketing operating expenses	\$ 88,138	\$ 95,127	\$ 105,602	\$ 112,449	\$ 135,131	\$ 153,861	\$ 164,960	\$ 162,594
Less:								
Stock based compensation expense	8,687	13,603	12,811	15,456	17,414	25,265	25,499	21,456
Amortization of acquired intangible assets	31	31	91	209	422	547	540	608
Non-GAAP sales and marketing operating expenses	\$ 79,420	\$ 81,493	\$ 92,700	\$ 96,784	\$ 117,295	\$ 128,049	\$ 138,921	\$ 140,530
GAAP research and development operating expenses	\$ 40,578	\$ 50,483	\$ 57,539	\$ 66,070	\$ 78,180	\$ 90,455	\$ 97,630	\$ 105,018
Less:								
Stock based compensation expense	4,900	9,029	11,771	14,574	17,801	25,808	27,333	31,085
Amortization of acquired intangible assets	10	10	9	—	—	—	—	—
Non-GAAP research and development operating expenses	\$ 35,668	\$ 41,444	\$ 45,759	\$ 51,496	\$ 60,379	\$ 64,647	\$ 70,297	\$ 73,933
GAAP general and administrative operating expenses	\$ 25,043	\$ 28,961	\$ 31,951	\$ 35,481	\$ 42,374	\$ 50,345	\$ 56,061	\$ 74,312
Less:								
Stock based compensation expense	7,085	11,021	11,251	11,777	12,834	17,531	25,319	30,513
Acquisition-related expenses	—	—	2,119	1,639	4,345	596	971	457
Amortization of acquired intangible assets	—	—	—	—	—	—	13	14
Legal reserve and settlement charges	—	—	—	—	—	2,500	—	7,000
Non-GAAP general and administrative operating expenses	\$ 17,958	\$ 17,940	\$ 18,581	\$ 22,065	\$ 25,195	\$ 29,718	\$ 29,758	\$ 36,328
GAAP loss from operations	\$ (22,576)	\$ (29,991)	\$ (24,159)	\$ (15,803)	\$ (31,347)	\$ (47,403)	\$ (40,264)	\$ (23,534)
Add:								
Stock based compensation expense	23,638	37,713	40,610	47,714	54,362	76,287	86,666	92,637
Amortization of acquired intangible assets	103	104	372	869	2,417	3,318	3,337	3,830
Acquisition-related expenses	—	—	2,119	1,639	4,345	596	971	457
Legal reserve and settlement charges	—	—	—	—	—	2,500	—	7,000
Non-GAAP income from operations	\$ 1,165	\$ 7,826	\$ 18,942	\$ 34,419	\$ 29,777	\$ 35,298	\$ 50,710	\$ 80,390

GAAP TO NON-GAAP RECONCILIATION (CONT'D)

CROWDSTRIKE HOLDINGS, INC.
Statements of Operations: GAAP to Non-GAAP Reconciliations (continued)
(in thousands, except per share data)
(unaudited)

	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22
GAAP net loss attributable to CrowdStrike	\$ (19,222)	\$ (29,874)	\$ (24,531)	\$ (19,002)	\$ (85,049)	\$ (57,318)	\$ (50,455)	\$ (41,980)
Stock based compensation expense	23,638	37,713	40,610	47,714	54,362	76,287	86,666	92,637
Amortization of acquired intangible assets	103	104	372	869	2,417	3,318	3,337	3,830
Acquisition-related expenses	—	—	2,119	1,639	4,345	596	971	457
Amortization of debt issuance costs and discount	—	—	—	347	547	546	546	548
Legal reserve and settlement charges or benefits	—	—	—	—	—	2,500	—	7,000
Provision for income taxes ⁽¹⁾	—	—	—	—	48,824	—	—	8,412
Gains and other income from strategic investments attributable to CrowdStrike	—	—	—	—	(2,178)	—	(5)	(505)
Non-GAAP net income attributable to CrowdStrike	\$ 4,519	\$ 7,943	\$ 18,570	\$ 31,567	\$ 23,268	\$ 25,929	\$ 41,060	\$ 70,399
Weighted-average shares used in computing basic net income per share attributable to CrowdStrike common stockholders (GAAP and Non-GAAP)	213,129	216,695	219,401	221,700	224,153	226,362	228,293	229,662
GAAP basic net loss per share attributable to CrowdStrike common stockholders	\$ (0.09)	\$ (0.14)	\$ (0.11)	\$ (0.09)	\$ (0.38)	\$ (0.25)	\$ (0.22)	\$ (0.18)
Non-GAAP basic net income per share attributable to CrowdStrike common stockholders	\$ 0.02	\$ 0.04	\$ 0.08	\$ 0.14	\$ 0.10	\$ 0.11	\$ 0.18	\$ 0.31
GAAP diluted net loss per share attributable to CrowdStrike common stockholders	\$ (0.09)	\$ (0.14)	\$ (0.11)	\$ (0.09)	\$ (0.38)	\$ (0.25)	\$ (0.22)	\$ (0.18)
Stock-based compensation	0.10	0.16	0.17	0.20	0.23	0.32	0.36	0.39
Amortization of acquired intangible assets	—	—	—	—	0.01	0.01	0.01	0.02
Acquisition-related expenses	—	—	0.01	0.01	0.02	—	—	—
Amortization of debt issuance costs and discount	—	—	—	—	—	—	—	—
Legal reserve and settlement charges or benefits	—	—	—	—	—	0.01	—	0.03
Gains and other income from strategic investments attributable to CrowdStrike	—	—	—	—	(0.01)	—	—	—
Provision for income taxes ⁽¹⁾	—	—	—	—	0.21	—	—	0.04
Adjustment to fully diluted earnings per share ⁽²⁾	0.01	0.01	0.01	0.01	0.02	0.02	0.02	—
Non-GAAP diluted net income per share attributable to CrowdStrike common stockholders	\$ 0.02	\$ 0.03	\$ 0.08	\$ 0.13	\$ 0.10	\$ 0.11	\$ 0.17	\$ 0.30
Weighted-average shares used in diluted net income (loss) per share attributable to CrowdStrike common stockholders calculation:								
GAAP	213,129	216,695	219,401	221,700	224,153	226,362	228,293	229,662
Non-GAAP	229,796	233,169	234,626	236,683	237,363	238,043	238,563	238,486

(1) We use our GAAP provision for income taxes for the purpose of determining our non-GAAP income tax expense. The tax costs for intellectual property integration relating to the Humio acquisition is included in the GAAP provision for income taxes during the first quarter of fiscal 2022. The income tax benefits related to stock-based compensation, amortization of intangibles, including purchased patents, acquisition related expenses, amortization of debt issuance costs and discount, gains and other income from strategic investments attributable to CrowdStrike and legal reserve and settlement charges or benefits included in the GAAP provision for income taxes was not material for all periods presented.

(2) For periods in which we had diluted non-GAAP net income (loss) per share attributable to CrowdStrike common stockholders, the sum of the impact of individual reconciling items may not total to diluted Non-GAAP net income (loss) per share attributable to CrowdStrike common stockholders because the basic share counts used to calculate GAAP net loss per share attributable to CrowdStrike common stockholders differ from the diluted share counts used to calculate non-GAAP net income (loss) per share attributable to CrowdStrike common stockholders and because of rounding differences. The GAAP net loss per share attributable to CrowdStrike common stockholders calculation uses a lower share count as it excludes dilutive shares which are included in calculating the non-GAAP net income (loss) per share attributable to CrowdStrike common stockholders.

GAAP TO NON-GAAP RECONCILIATIONS (CONT'D)

CROWDSTRIKE HOLDINGS, INC.
Statements of Operations: GAAP to Non-GAAP Reconciliations (continued)
(in thousands)
(unaudited)

	FY17	FY18	FY19	FY20	FY21	FY22
GAAP cost of revenue	\$ 34,006	\$ 54,486	\$ 87,238	\$ 141,627	\$ 229,545	\$ 383,221
Less:						
Stock based compensation expense	91	341	894	7,712	17,710	32,094
Amortization of acquired intangible assets	97	287	327	323	1,057	10,758
Non-GAAP cost of revenue	<u>\$ 33,818</u>	<u>\$ 53,858</u>	<u>\$ 86,017</u>	<u>\$ 133,592</u>	<u>\$ 210,778</u>	<u>\$ 340,369</u>
GAAP subscription gross profit	\$ 13,517	\$ 52,711	\$ 150,193	\$ 323,849	\$ 619,458	\$ 1,037,633
Add:						
Stock based compensation expense	50	89	689	5,226	11,705	22,044
Amortization of acquired intangible assets	97	287	327	323	1,057	10,758
Non-GAAP subscription gross profit	<u>\$ 13,664</u>	<u>\$ 53,087</u>	<u>\$ 151,209</u>	<u>\$ 329,398</u>	<u>\$ 632,220</u>	<u>\$ 1,070,435</u>
GAAP professional services gross profit	\$ 5,222	\$ 11,555	\$ 12,393	\$ 15,937	\$ 25,435	\$ 30,740
Add:						
Stock based compensation expense	41	252	205	2,486	6,005	10,050
Non-GAAP professional services gross profit	<u>\$ 5,263</u>	<u>\$ 11,807</u>	<u>\$ 12,598</u>	<u>\$ 18,423</u>	<u>\$ 31,440</u>	<u>\$ 40,790</u>
GAAP Sales and marketing operating expenses	\$ 53,748	\$ 104,277	\$ 172,682	\$ 266,595	\$ 401,316	\$ 616,546
Less:						
Stock based compensation expense	638	1,386	5,175	23,919	50,557	89,634
Amortization of acquired intangible assets	—	21	143	123	362	2,117
Non-GAAP sales and marketing operating expenses	<u>\$ 53,110</u>	<u>\$ 102,870</u>	<u>\$ 167,364</u>	<u>\$ 242,553</u>	<u>\$ 350,397</u>	<u>\$ 524,795</u>
GAAP research and development operating expenses	\$ 39,145	\$ 58,887	\$ 84,551	\$ 130,188	\$ 214,670	\$ 371,283
Less:						
Stock based compensation expense	561	3,429	7,815	15,403	40,274	102,027
Amortization of acquired intangible assets	—	320	113	41	29	—
Non-GAAP research and development operating expenses	<u>\$ 38,584</u>	<u>\$ 55,138</u>	<u>\$ 76,623</u>	<u>\$ 114,744</u>	<u>\$ 174,367</u>	<u>\$ 269,256</u>
GAAP general and administrative operating expenses	\$ 16,402	\$ 32,542	\$ 42,217	\$ 89,068	\$ 121,436	\$ 223,092
Less:						
Stock based compensation expense	704	7,187	6,621	32,906	41,134	86,197
Acquisition-related expenses	—	167	—	—	3,758	6,369
Amortization of acquired intangible assets	—	—	—	—	—	27
Legal reserve and settlement charges	—	—	—	—	—	9,500
Non-GAAP general and administrative operating expenses	<u>\$ 15,698</u>	<u>\$ 25,188</u>	<u>\$ 35,596</u>	<u>\$ 56,162</u>	<u>\$ 76,544</u>	<u>\$ 120,999</u>
GAAP loss from operations	\$ (90,556)	\$ (131,440)	\$ (136,864)	\$ (146,065)	\$ (92,529)	\$ (142,548)
Add:						
Stock based compensation expense	1,994	12,343	20,505	79,940	149,675	309,952
Amortization of acquired intangible assets	97	628	583	487	1,448	12,902
Acquisition-related expenses	—	167	—	—	3,758	6,369
Legal reserve and settlement charges	—	—	—	—	—	9,500
Non-GAAP income (loss) from operations	<u>\$ (88,465)</u>	<u>\$ (118,302)</u>	<u>\$ (115,776)</u>	<u>\$ (65,638)</u>	<u>\$ 62,352</u>	<u>\$ 196,175</u>

GAAP TO NON-GAAP RECONCILIATIONS (CONT'D)

CROWDSTRIKE HOLDINGS, INC.
 Statements of Operations: GAAP to Non-GAAP Reconciliations (continued)
 (in thousands)
 (unaudited)

	FY17	FY18	FY19	FY20	FY21	FY22
GAAP net cash provided by (used in) operating activities	\$ (51,998)	\$ (58,766)	\$ (22,968)	\$ 99,943	\$ 356,566	\$ 574,784
Purchase of property and equipment	(6,591)	(22,906)	(35,851)	(80,198)	(52,799)	(112,143)
Capitalized internal-use software and website development costs	(5,556)	(6,542)	(6,794)	(7,289)	(10,864)	(20,866)
Free cash flow	\$ (64,145)	\$ (88,214)	\$ (65,613)	\$ 12,456	\$ 292,903	\$ 441,775

SUPPLEMENTAL DISCLOSURE - ADDITIONAL METRICS

CROWDSTRIKE HOLDINGS, INC.
Additional Metrics
(In thousands, except percentages and customer count)
(unaudited)

	<u>Q1 FY21</u>	<u>Q2 FY21</u>	<u>Q3 FY21</u>	<u>Q4 FY21</u>	<u>Q1 FY22</u>	<u>Q2 FY22</u>	<u>Q3 FY22</u>	<u>Q4 FY22</u>
Annual recurring revenue	\$ 686,125	\$ 790,583	\$ 907,391	\$1,050,051	\$1,193,889	\$1,344,451	\$1,514,453	\$1,731,342
Year-over-year growth	88%	87%	81%	75%	74%	70%	67%	65%
Deferred revenue	\$ 635,973	\$ 689,840	\$ 762,674	\$ 911,895	\$1,021,991	\$1,164,357	\$1,288,196	\$1,529,321
Backlog	181,495	235,629	310,471	448,157	449,682	512,848	654,749	735,755
Remaining performance obligations	<u>\$ 817,468</u>	<u>\$ 925,469</u>	<u>\$1,073,145</u>	<u>\$1,360,052</u>	<u>\$1,471,673</u>	<u>\$1,677,205</u>	<u>\$1,942,945</u>	<u>\$2,265,076</u>
Subscription customer count	6,261	7,230	8,416	9,896	11,420	13,080	14,687	16,325
Year-over-year growth	105%	91%	85%	82%	82%	81%	75%	65%
Free cash flow reconciliation								
GAAP net cash provided by operating activities	\$ 98,577	\$ 55,025	\$ 88,501	\$ 114,463	\$ 147,533	\$ 108,475	\$ 159,058	\$ 159,718
Less: Purchases of property and equipment	(9,694)	(20,640)	(9,911)	(12,554)	(25,796)	(29,997)	(29,627)	(26,723)
Less: Capitalized internal-use software and website development	(1,882)	(1,968)	(2,495)	(4,519)	(4,434)	(4,839)	(5,928)	(5,665)
Free cash flow	<u>\$ 87,001</u>	<u>\$ 32,417</u>	<u>\$ 76,095</u>	<u>\$ 97,390</u>	<u>\$ 117,303</u>	<u>\$ 73,639</u>	<u>\$ 123,503</u>	<u>\$ 127,330</u>
Geographic breakdown of total revenue:								
United States	73%	71%	72%	71%	73%	72%	73%	72%
International	27%	29%	28%	29%	27%	28%	27%	28%
Non-GAAP gross margin	75%	75%	76%	77%	77%	76%	76%	77%
Non-GAAP subscription gross margin	78%	78%	78%	80%	79%	78%	79%	79%
Non-GAAP operating expenses	\$ 133,046	\$ 140,877	\$ 157,040	\$ 170,345	\$ 202,869	\$ 222,414	\$ 238,976	\$ 250,791
Non-GAAP operating expenses as a percentage of revenue	75%	71%	68%	64%	67%	66%	63%	58%
Non-GAAP operating margin	1%	4%	8%	13%	10%	10%	13%	19%