CROWDSTRIKE
Investor Relations

CrowdStrike to Acquire Zscaler, Bringing Network Security and Zero Trust to the Falcon Platform

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- Acquisition will unite the leaders in securing every device and every connection
- Zscaler will expand CrowdStrike's total addressable market by more than $185 billion
- Will provide a path to cross-sell the CrowdStrike platform to approximately 8,000 Zscaler customers
- Will deliver Zero Trust for AI Safety, securing the last mile of agentic AI
- Combined company is expected to begin with more than $10 billion in combined annual recurring revenue

AUSTIN, Texas & SANTA CLARA, Calif.--(BUSINESS WIRE)--Nov. 23, 2026-- CrowdStrike (NASDAQ: CRWD) and Zscaler (NASDAQ: ZS) today announced that they have entered into a definitive agreement under which CrowdStrike will acquire Zscaler in an all-stock transaction that values Zscaler at approximately $43.9 billion. Under the terms of the agreement, Zscaler shareholders will receive 1.135 shares of CrowdStrike common stock for each share of Zscaler common stock they own.

Network Security on the CrowdStrike Falcon Platform

With Zscaler, CrowdStrike will enter network security, cybersecurity's largest single addressable market segment. Users, applications, and now AI agents connect directly to the cloud, and that traffic never comes back through the data center. Firewalls and VPNs built to guard the data center can't see, inspect, or stop that traffic, the threats coming in, or the data going out. Zscaler's SSE is purpose-built for the AI era, with the Zscaler Zero Trust Exchange sitting inline between every user, agent, and application to enforce zero trust on every connection. SASE builds on that foundation to bring security and the network together, creating zero trust everywhere.

CrowdStrike is a leader in securing the endpoint, the workload, the identity, and the data. Zscaler is a leader in securing the connections between them. After closing, CrowdStrike will unite endpoint security with Zero Trust SASE to deliver a unified platform that puts both controls in the adversary's path to stop breaches.

"Security used to be about keeping the adversary out. Today, safety is required to let AI in," said George Kurtz, CEO and founder of CrowdStrike. "The network used to connect people to places. Now it connects agents to data. With Zscaler, we're building cybersecurity's operating system: a single control plane to deploy AI, control AI, and enable any agentic application to run safely. We see a path to become the largest AI safety and security company the world has ever seen."

"We built Zscaler to bring a new approach to the cybersecurity industry and that is a Zero Trust architecture," said Jay Chaudhry, CEO, chairman, and founder of Zscaler. "In the AI era, Zero Trust security has become non-negotiable, and AI agents are rapidly becoming the new weakest link. This agreement will accelerate our ability to bring Zero Trust Everywhere to a larger customer base. We see a significant opportunity to offer customers far superior protection in a rapidly evolving threat landscape and enable enterprises to safely adopt AI. Zscaler and CrowdStrike are complementary and this is the natural evolution of our longstanding partnership. We look forward to enabling our employees, customers, and shareholders to be a part of the significant upside that this transaction brings."

One Platform, One Data Layer, One Flex Contract

With Zscaler, the Falcon platform will own the two most important control points: the Falcon sensor across every endpoint and cloud workload, and the Zero Trust Exchange on every user, agent, and application connection. The endpoint is where the agent runs. The network is where it goes. Falcon Next-Gen SIEM, the agentic SOC, will unify device and network telemetry into one security data set. Falcon Flex will bring Zscaler onto the commercial model customers already use, so they commit once and expand from there.

Strategic Rationale and Value Creation Opportunity

- **Brings Zscaler's Zero Trust SASE, Security for AI, and Data Protection to the Falcon Platform** : Zscaler protects 50 percent of the Fortune 500 and operates the world's largest distributed inline security cloud across more than 200 service locations. After closing, CrowdStrike will offer Zscaler's Zero Trust SASE, security for AI, and data protection as part of the Falcon platform.

- **Combines Device and Network Data**: The Falcon platform generates trillions of events daily from the endpoint and cloud workloads, and Zscaler's Zero Trust Exchange processes more than 750 billion transactions per day. After closing, device and network telemetry will converge into a single data set, allowing CrowdStrike's SafeMind frontier security models to train on the adversary's full attack path.

- **Unlocks Cross-Sell Across Both Customer Bases**: Approximately 8,000 Zscaler customers are not yet CrowdStrike customers. Within the shared customer base, CrowdStrike sees room for even more platform adoption. After closing,

customers of either company will be able to add the other's products on a single Falcon Flex contract. Both companies have best-in-class gross and net retention.

- **Expands the Market and the Partner Ecosystem**: CrowdStrike estimates the acquisition will expand its total addressable market by more than $185 billion in calendar year 2029. Zscaler's solutions will be sold through CrowdStrike's global system integrators, resellers, distributors, and cloud marketplaces, with significant opportunity downmarket and into the MSSP space.

- **From Partnership to One Platform**: The acquisition builds on one of CrowdStrike's largest technology alliances, spanning more than 2,000 shared customers and 16 integrations. For years, customers have asked CrowdStrike and Zscaler to join forces, and the two companies come together from positions of strength. A partnership integrates separate products. One company integrates everything: the data, the roadmap, the go-to-market, and the commercial model, and AI accelerates the integration. After closing, the integration of Zscaler into the Falcon platform will give customers one platform, one data layer, and one contract.

- **Increases Scale and Accelerates Profitable Growth**: At closing, the combined company is expected to begin with more than $10 billion in ARR. Zscaler reported $3.9 billion of ARR as of its recently completed fiscal quarter. The acquisition is expected to add incremental high-margin recurring revenue streams to CrowdStrike's financial profile.

- **Creates Significant Revenue Synergies:** CrowdStrike expects revenue synergies to build progressively over the first 30 months following close, reaching approximately $1 billion in annualized run-rate revenue synergies by the end of that period. These revenue synergies are expected to come from deepening combined customer relationships, expanding cross-sell and upsell opportunities, and integrating Zscaler's solutions into CrowdStrike's Falcon Flex go-to-market motion.

- **Drives Margin Expansion and Free Cash Flow Accretion:** CrowdStrike expects to achieve $500 million in annualized run-rate cost synergies within 18 to 24 months following the close, primarily through optimization of its data center infrastructure, vendors, and broader operations. These initiatives will support additional operating leverage and margin expansion over time. The transaction is expected to be significantly and immediately accretive to free cash flow per share before factoring in any synergies. The transaction is also expected to be accretive to revenue growth, non-GAAP operating margin, and free cash flow margin, after synergies, within the first fiscal year after close.

Transaction Details

Under the terms of the agreement, which has been unanimously approved by the boards of directors of both companies, CrowdStrike will acquire Zscaler in an all-stock transaction valued at an enterprise value of approximately $43.9 billion, based on CrowdStrike's closing share price as of November 20, 2026. Each outstanding share of Zscaler common stock will be exchanged for 1.135 shares of CrowdStrike common stock, representing an implied value of approximately $260.41 per Zscaler share, based on CrowdStrike's closing share price as of November 20, 2026. This represents a premium of approximately 34% to Zscaler's closing share price as of November 20, 2026. Following completion of the transaction, existing CrowdStrike shareholders are expected to own approximately 84.1% of the combined company, and existing Zscaler shareholders approximately 15.9%.

The transaction is expected to close in the second half of CrowdStrike's fiscal year 2028, subject to approval by Zscaler shareholders, receipt of required regulatory approvals, and satisfaction of other customary closing conditions. In connection with the transaction, Jay Chaudhry and his affiliates, representing approximately 34% of Zscaler outstanding shares, have entered into voting agreements in support of the transaction. Until closing, both companies will continue to operate independently.

Following the close of the transaction, Jay Chaudhry will continue to lead the Zscaler business and will join the CrowdStrike Board of Directors.

CrowdStrike Reports Fiscal Third Quarter 2027 Results and Zscaler Issues Fiscal First Quarter 2027 Results

In a separate press release issued today, CrowdStrike reported its fiscal third quarter 2027 financial results. CrowdStrike's financial results are available on the Investor Relations website at ir.crowdstrike.com.

CrowdStrike and Zscaler will hold a joint conference call today, November 23, 2026, at 5:00 a.m. Pacific time (8:00 a.m. Eastern time) to discuss the transaction and CrowdStrike's fiscal third quarter 2027 financial results, replacing the call previously scheduled for December 1, 2026. An investor presentation regarding the transaction will be available on CrowdStrike's Investor Relations website at ir.crowdstrike.com. A recorded webcast of the event will also be available there for one year.

Zscaler separately reported financial results today for its fiscal first quarter 2027. Zscaler's earnings release can be found at ir.zscaler.com.

Advisors

Qatalyst Partners is serving as sole lead financial advisor to CrowdStrike. J.P. Morgan Securities LLC and BofA Securities also advised CrowdStrike. Davis Polk & Wardwell LLP is serving as legal counsel and Joele Frank is serving as strategic communications advisor.

BDT & MSD Partners is sole lead financial advisor to Zscaler. Citigroup Global Markets Inc. and Goldman Sachs & Co. LLC are also named as financial advisors to Zscaler. Wilson Sonsini Goodrich & Rosati LLP is serving as legal counsel and Kekst CNC is serving as strategic communications advisor.

About CrowdStrike

CrowdStrike (NASDAQ: CRWD), a global cybersecurity leader, has redefined modern security with the world's most advanced cloud-native platform for protecting critical areas of enterprise risk: endpoints and cloud workloads, identity, and data.

Powered by the CrowdStrike Security Cloud and world-class AI, the CrowdStrike Falcon® platform leverages real-time indicators of attack, threat intelligence, evolving adversary tradecraft, and enriched telemetry from across the enterprise to deliver hyper-accurate detections, automated protection and remediation, elite threat hunting, and prioritized observability of vulnerabilities.

Purpose-built in the cloud with a single lightweight-agent architecture, the Falcon platform delivers rapid and scalable deployment, superior protection and performance, reduced complexity, and immediate time-to-value.

About Zscaler

Zscaler (NASDAQ: ZS) accelerates digital transformation so customers can be more agile, efficient, resilient, and secure. The Zscaler Zero Trust Exchange™ platform protects thousands of customers from cyberattacks and data loss by securely connecting users, devices, and applications in any location. Distributed across 200+ public service locations globally and thousands of private sites at the edge, the SASE-based Zero Trust Exchange is the world's largest inline cloud security platform.

Important Information about the Transaction and Where to Find It

In connection with the transaction, CrowdStrike and Zscaler will make filings with the Securities and Exchange Commission (the "SEC"), including a registration statement on Form S-4 filed by CrowdStrike that will include a proxy statement of Zscaler that also constitutes a prospectus of CrowdStrike. A definitive proxy statement will be mailed to stockholders of Zscaler after the Form S-4 is declared effective by the SEC. This communication is not a substitute for the registration statement, proxy statement or prospectus or any other document that CrowdStrike or Zscaler (as applicable) may file with the SEC in connection with the proposed transaction.

Before you make any voting or investment decision, CrowdStrike and Zscaler securityholders are urged to read these and other filings, as well as any amendments or supplements to these documents, when they become available. They have important information about the proposed transaction. You can obtain these filings for free at http://www.sec.gov. You may also obtain CrowdStrike's filings for free at https://ir.crowdstrike.com/results-filings/sec-filings and Zscaler's filings for free at https://ir.zscaler.com/financial-information/sec-filings.

Participants in the Solicitation

CrowdStrike, Zscaler, their respective directors and certain of their respective executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about the directors and executive officers of Zscaler is set forth in its proxy statement for its 2025 annual meeting of stockholders, which was filed with the SEC on November 21, 2025 (and which is available at https://www.sec.gov), in its Form 10-K for the fiscal year ended July 31, 2026, which was filed with the SEC on September 3, 2026 (and which is available at https://www.sec.gov), in its Form 8-K, which was filed with the SEC on April 16, 2026 (and which is available at https://www.sec.gov) and its Form 8-K, which was filed with the SEC on September 24, 2026 (and which is available at https://www.sec.gov). Information about CrowdStrike's directors is set forth in its proxy statement for its 2026 annual meeting of stockholders, which was filed with the SEC on May 5, 2026 (and which is available at https://www.sec.gov) and its Form 10-K for the fiscal year ended January 31, 2026, which was filed with the SEC on March 5, 2026 (https://www.sec.gov). Additional information regarding the direct and indirect interests of those persons and other participants in the proxy solicitation will be contained in the joint proxy statement/prospectus when it becomes available. These documents can be obtained for free from the sources indicated above.

No Offer or Solicitation

This communication is for informational purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Forward-Looking Statements

This communication contains forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements contained in this communication other than statements of historical fact are forward-looking statements. Some forward-looking statements can be identified by words such as "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "intend," "could," "would," "project," "plan," "expect," "accelerate," "expand," "mission," "objective," "outlook," "predict," "target," or similar expressions. Forward-looking statements include statements about the timing and the consummation of the proposed transaction, its anticipated benefits, including the timing and amount of potential synergies, future financial and operating performance, and the incremental total addressable market for CrowdStrike in connection with the proposed transaction. All such forward-looking statements are

subject to risks, uncertainties and assumptions that could cause actual results to differ materially. Factors that could cause such a difference include: the ability of CrowdStrike and Zscaler to satisfy closing conditions including regulatory approvals, the ability of CrowdStrike and Zscaler to integrate their businesses successfully; potential litigation relating to the proposed transaction; disruption from the proposed transaction; diversion of management's time and attention as a result of the proposed transaction; potential adverse reactions or changes to business relationships resulting from the proposed transaction; restrictions during the pendency of the proposed transaction that could impact Zscaler's ability to pursue certain business opportunities or strategic transactions or otherwise operate its business; the possibility that the transaction may be more expensive to complete than anticipated; and other risks described in the section titled "Risk Factors" in Item 1A of CrowdStrike's Quarterly Report on Form 10-Q for the quarterly period ended July 31, 2026, filed with the SEC on August 27, 2026, and in Item 1A of Zscaler's Annual Report on Form 10-K for the fiscal year ended July 31, 2026, filed with the SEC on September 3, 2026; and risks described in future SEC filings made by CrowdStrike or Zscaler. Accordingly, you should not place undue reliance on any of these forward-looking statements.

The forward looking statements included in this communication are made only as of the date hereof, and are based on the current beliefs of CrowdStrike and Zscaler as well as assumptions made by and information currently available to them, which are subject to inherent uncertainties. Neither CrowdStrike nor Zscaler assumes any obligation to update any forward-looking statements, except as required by applicable law.

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