



CrowdStrike to Acquire Preempt Security to Offer Customers Enhanced Zero Trust Security Capabilities

SUNNYVALE, Calif.--(BUSINESS WIRE)--Sep. 23, 2020-- [CrowdStrike Holdings, Inc.](#) (Nasdaq: CRWD), a leader in cloud-delivered endpoint and cloud workload protection, today announced it has agreed to acquire Preempt Security, a leading provider of Zero Trust and conditional access technology for real-time access control and threat prevention. Under the terms of the agreement, CrowdStrike will pay approximately \$96 million to acquire Preempt Security, subject to adjustments. The acquisition is expected to close during CrowdStrike's fiscal third quarter, subject to customary closing conditions.

Customers are actively looking for effective technologies that enhance their abilities to detect advanced adversaries that leverage identity-based attacks to move laterally across the network, including insider threats. Together, CrowdStrike and Preempt will provide a modern Zero Trust security architecture and threat protection to keep organizations' users, endpoints, and data safe from modern attacks, without compromising productivity or the user experience.

Combining workload security with identity protection is foundational for establishing true Zero Trust environments. With this acquisition, CrowdStrike plans to offer customers enhanced Zero Trust security capabilities and strengthen the CrowdStrike Falcon® platform with conditional access technology. The addition of Preempt's technology to the CrowdStrike Falcon platform will help customers achieve end-to-end visibility and enforcement on identity data.

As organizations continue to operate in hybrid work environments and focus on digital transformation, the need to establish a modern Zero Trust security environment at scale has never been greater. According to Forrester,¹ "With the loss of a physical perimeter in protecting applications and data from external and internal threats, the 'people' domain of Zero Trust eXtended (ZTX) is one of the most dynamically changing and growing areas."

"Hybrid work environments will become the norm for many organizations which means that Zero Trust security with an identity-centric approach and detecting threats in real-time are critical for business continuity. With the addition of Preempt Security's capabilities, the CrowdStrike Falcon platform will provide enhanced protection against identity-based attacks and insider threats," said George Kurtz, co-founder and chief executive officer of CrowdStrike. "Combining Preempt's technology with the CrowdStrike Falcon platform will help customers achieve end-to-end visibility and enforcement through identity, behavior and risk-based decisions to stop attacks in real time."

"We are thrilled about joining CrowdStrike, the industry leader in stopping breaches that shaped modern endpoint security and pioneered the Security Cloud," said Ajit Sancheti, Preempt's co-founder and chief executive officer. "Combining Preempt's identity security expertise with CrowdStrike's incredible scale and threat telemetry, we will be able to offer customers complete protection for hybrid workloads and remote workforces wherever they are."

Founded in 2014 by Ajit Sancheti and Roman Blachman to deliver a modern approach to authentication and securing identity, Preempt delivers the market's first Zero Trust and Conditional Access solution for continuously detecting and preempting threats based on identity, behavior and risk. Preempt's patented technology empowers enterprises to optimize identity hygiene and stop attackers and insider threats in real-time before they can impact business.

Under the terms of the agreement, CrowdStrike expects to pay approximately \$86 million in cash (excluding expenses and other adjustments) and \$10 million in stock and options subject to vesting conditions. The proposed acquisition is expected to close in CrowdStrike's fiscal third quarter 2021, subject to customary closing conditions. CrowdStrike is not updating its guidance for the third quarter and fiscal year 2021 that was provided on September 2, 2020 as a result of this transaction.

[Read a blog](#) from George Kurtz, CrowdStrike co-founder and chief executive officer.

Forward-Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties, including statements regarding the closing of the acquisition, and the benefits of the acquisition to CrowdStrike and its customers. There are a significant number of factors that could cause actual results to differ materially from statements made in this press release, including the satisfaction of the conditions to the closing of the acquisition.

Additional risks and uncertainties that could affect the forward-looking statements in this press release are included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth from time to time in our filings and reports with the Securities and Exchange Commission ("SEC"), including our Quarterly Report on Form 10-Q for the quarter ended July 31, 2020.

You should not rely on these forward-looking statements, as actual outcomes and results may differ materially from those contemplated by these forward-looking statements as a result of such risks and uncertainties. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we do not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

About CrowdStrike Holdings

CrowdStrike® provides cloud-delivered endpoint and workload protection. Leveraging artificial intelligence (AI), the CrowdStrike Falcon® platform protects customers against cyberattacks on endpoints and workloads on or off the network by offering visibility and protection across the enterprise.

¹ "Apply Zero Trust eXtended Principles In Your Identity And Access Management Programs," published November 25, 2019.

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