

Explanation of Non-GAAP Financial Measures

In addition to our results determined in accordance with U.S. generally accepted accounting principles (“GAAP”), we believe the following non-GAAP measures are useful in evaluating our operating performance. We use the following 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 and facilitates period-to-period comparisons of operations, as these measures eliminate the effects of certain variables unrelated to our overall operating 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.

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.

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.

Non-GAAP Income from Operations

We define non-GAAP income from operations as GAAP income (loss) from operations excluding stock-based compensation expense, amortization of acquired intangible assets (including purchased patents), acquisition-related expenses (credits), net, mark-to-market adjustments on deferred compensation liabilities, legal reserve and settlement charges or benefits, and July 19 Incident related costs and (recoveries), net.

Non-GAAP Net Income Attributable to CrowdStrike

We define non-GAAP net income attributable to CrowdStrike as GAAP net income (loss) attributable to CrowdStrike excluding stock-based compensation expense, amortization of acquired intangible assets (including purchased patents), acquisition-related expenses (credits), net, amortization of debt issuance costs and discount, mark-to-market adjustments on deferred compensation liabilities, legal reserve and settlement charges or benefits, July 19 Incident related costs and (recoveries), net, acquisition-related provision (benefit) for income taxes, losses (gains) and other income from strategic investments, and losses (gains) on deferred compensation assets.

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

We define non-GAAP net income per share attributable to CrowdStrike common stockholders, as non-GAAP net income attributable to CrowdStrike common stockholders divided by the weighted-average shares outstanding, which includes the dilutive effect of potentially dilutive common stock equivalents outstanding during the period.

Free Cash Flow

Free cash flow is a non-GAAP financial measure that we define as net cash provided by operating activities less purchases of property and equipment, capitalized internal-use software and website development, purchases of deferred compensation investments, and proceeds from sale of deferred compensation investments. 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 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.

Explanation of Operational Measures

Annual Recurring Revenue

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.

Magic Number

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: $((\text{Quarter GAAP Subscription Revenue} - \text{Prior Quarter GAAP Subscription Revenue}) \times 4) / \text{Prior Quarter Non-GAAP Sales \& Marketing Expense}$.

Free Cash Flow Rule of 40

Free cash flow rule of 40 is calculated by taking the current quarter total revenue year over year growth rate percentage and summing it with the current quarter free cash flow margin percentage.

CROWDSTRIKE HOLDINGS, INC.

Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	<u>Q1 FY24</u>	<u>Q2 FY24</u>	<u>Q3 FY24</u>	<u>Q4 FY24</u>	<u>Q1 FY25</u>	<u>Q2 FY25</u>	<u>Q3 FY25</u>	<u>FY24</u>
Revenue								
Subscription	\$ 651,175	\$ 689,972	\$ 733,463	\$ 795,947	\$ 872,172	\$ 918,257	\$ 962,735	\$ 2,870,557
Professional services	41,405	41,654	52,551	49,388	48,864	45,615	47,443	184,998
Total revenue	<u>692,580</u>	<u>731,626</u>	<u>786,014</u>	<u>845,335</u>	<u>921,036</u>	<u>963,872</u>	<u>1,010,178</u>	<u>3,055,555</u>
Cost of revenue								
Subscription	142,100	153,306	159,830	175,509	189,657	199,910	216,301	630,745
Professional services	27,130	29,611	35,174	33,063	35,346	37,491	38,786	124,978
Total cost of revenue	<u>169,230</u>	<u>182,917</u>	<u>195,004</u>	<u>208,572</u>	<u>225,003</u>	<u>237,401</u>	<u>255,087</u>	<u>755,723</u>
Gross profit								
Subscription	509,075	536,666	573,633	620,438	682,515	718,347	746,434	2,239,812
Professional services	14,275	12,043	17,377	16,325	13,518	8,124	8,657	60,020
Total gross profit	<u>523,350</u>	<u>548,709</u>	<u>591,010</u>	<u>636,763</u>	<u>696,033</u>	<u>726,471</u>	<u>755,091</u>	<u>2,299,832</u>
Operating expenses								
Sales and marketing	281,107	282,916	286,186	290,357	350,114	355,471	408,267	1,140,566
Research and development	179,065	179,362	196,072	213,998	235,249	250,908	275,602	768,497
General and administrative	82,634	101,804	105,589	102,737	103,734	106,434	126,945	392,764
Total operating expenses	<u>542,806</u>	<u>564,082</u>	<u>587,847</u>	<u>607,092</u>	<u>689,097</u>	<u>712,813</u>	<u>810,814</u>	<u>2,301,827</u>
Income (loss) from operations	<u>(19,456)</u>	<u>(15,373)</u>	<u>3,163</u>	<u>29,671</u>	<u>6,936</u>	<u>13,658</u>	<u>(55,723)</u>	<u>(1,995)</u>
Interest expense	(6,387)	(6,444)	(6,503)	(6,422)	(6,511)	(6,549)	(6,587)	(25,756)
Interest income	30,521	36,638	40,086	41,685	45,850	51,526	52,201	148,930
Other income (expense), net	230	(1,734)	(474)	3,616	7,656	(1,031)	(429)	1,638
Income before provision for income taxes	<u>4,908</u>	<u>13,087</u>	<u>36,272</u>	<u>68,550</u>	<u>53,931</u>	<u>57,604</u>	<u>(10,538)</u>	<u>122,817</u>
Provision for income taxes	4,409	4,611	9,603	13,609	7,667	10,914	6,281	32,232
Net income (loss)	499	8,476	26,669	54,941	46,264	46,690	(16,819)	90,585
Net income (loss) attributable to non-controlling interest	8	4	4	1,242	3,444	(323)	3	1,258
Net income (loss) attributable to CrowdStrike	<u>\$ 491</u>	<u>\$ 8,472</u>	<u>\$ 26,665</u>	<u>\$ 53,699</u>	<u>\$ 42,820</u>	<u>\$ 47,013</u>	<u>\$ (16,822)</u>	<u>\$ 89,327</u>
Net income (loss) per share attributable to CrowdStrike common stockholders:								
Basic	<u>\$ 0.00</u>	<u>\$ 0.04</u>	<u>\$ 0.11</u>	<u>\$ 0.22</u>	<u>\$ 0.18</u>	<u>\$ 0.19</u>	<u>\$ (0.07)</u>	<u>\$ 0.37</u>
Diluted	<u>\$ 0.00</u>	<u>\$ 0.03</u>	<u>\$ 0.11</u>	<u>\$ 0.22</u>	<u>\$ 0.17</u>	<u>\$ 0.19</u>	<u>\$ (0.07)</u>	<u>\$ 0.37</u>
Weighted-average shares used in computing net income (loss) per share attributable to CrowdStrike common stockholders								
Basic	<u>236,414</u>	<u>237,911</u>	<u>239,297</u>	<u>240,856</u>	<u>242,389</u>	<u>244,091</u>	<u>245,536</u>	<u>238,637</u>
Diluted	<u>240,598</u>	<u>242,144</u>	<u>243,799</u>	<u>247,936</u>	<u>250,164</u>	<u>251,265</u>	<u>245,536</u>	<u>243,635</u>

CROWDSTRIKE HOLDINGS, INC.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	<u>Q1 FY24</u>	<u>Q2 FY24</u>	<u>Q3 FY24</u>	<u>Q4 FY24</u>	<u>Q1 FY25</u>	<u>Q2 FY25</u>	<u>Q3 FY25</u>
Assets							
Current assets:							
Cash and cash equivalents	\$ 2,829,677	\$ 3,167,215	\$ 2,968,872	\$ 3,375,069	\$ 3,702,437	\$ 4,038,536	\$ 4,260,324
Short-term investments	100,000	—	197,522	99,591	—	—	—
Accounts receivable, net of allowance for credit losses	461,092	539,463	561,872	853,105	702,856	661,045	813,922
Deferred contract acquisition costs, current	186,901	197,111	209,216	246,370	244,651	251,246	294,229
Prepaid expenses and other current assets	131,100	146,597	141,651	183,172	191,678	230,821	203,852
Total current assets	<u>3,708,770</u>	<u>4,050,386</u>	<u>4,079,133</u>	<u>4,757,307</u>	<u>4,841,622</u>	<u>5,181,648</u>	<u>5,572,327</u>
Strategic investments	57,877	59,541	59,541	56,244	58,419	58,246	68,246
Property and equipment, net	523,721	561,587	581,037	620,172	627,381	648,474	746,567
Operating lease right-of-use assets	50,459	46,179	50,941	48,211	48,598	45,897	46,289
Deferred contract acquisition costs, noncurrent	254,397	261,574	273,859	335,933	330,004	341,539	421,773
Goodwill	430,755	430,697	637,678	638,041	721,973	721,996	722,016
Intangible assets, net	83,215	79,139	109,423	114,518	122,024	115,686	109,354
Other long-term assets	28,664	31,355	39,444	76,094	91,964	88,988	96,386
Total assets	<u>\$ 5,137,858</u>	<u>\$ 5,520,458</u>	<u>\$ 5,831,056</u>	<u>\$ 6,646,520</u>	<u>\$ 6,841,985</u>	<u>\$ 7,202,474</u>	<u>\$ 7,782,958</u>
Liabilities and Stockholders' Equity							
Current liabilities:							
Accounts payable	\$ 16,900	\$ 37,073	\$ 56,968	\$ 28,180	\$ 21,299	\$ 21,067	\$ 79,214
Accrued expenses	91,494	122,419	146,050	125,896	102,116	101,300	176,598
Accrued payroll and benefits	151,099	138,471	169,768	234,624	216,695	205,429	324,889
Operating lease liabilities	16,215	16,133	14,430	14,150	16,020	17,031	15,658
Deferred revenue	1,788,304	1,894,005	1,942,750	2,270,757	2,309,329	2,348,464	2,363,258
Other current liabilities	16,052	21,362	20,451	23,672	18,227	35,028	40,763
Total current liabilities	<u>2,080,064</u>	<u>2,229,463</u>	<u>2,350,417</u>	<u>2,697,279</u>	<u>2,683,686</u>	<u>2,728,319</u>	<u>3,000,380</u>
Long-term debt	741,377	741,750	742,122	742,494	742,866	743,238	743,610
Deferred revenue, noncurrent	615,487	613,637	600,366	783,342	760,050	744,733	833,260
Operating lease liabilities, noncurrent	36,774	32,688	38,371	36,230	34,090	31,704	32,683
Other liabilities, noncurrent	29,797	32,820	38,933	50,086	52,511	63,890	77,414
Total liabilities	<u>\$ 3,503,499</u>	<u>\$ 3,650,358</u>	<u>\$ 3,770,209</u>	<u>\$ 4,309,431</u>	<u>\$ 4,273,203</u>	<u>\$ 4,311,884</u>	<u>\$ 4,687,347</u>
Stockholders' Equity							
Common stock	\$ 118	\$ 119	\$ 120	\$ 121	\$ 122	\$ 123	\$ 124
Additional paid-in capital	2,752,716	2,976,375	3,146,645	3,364,328	3,556,194	3,824,897	4,045,660
Accumulated deficit	(1,147,672)	(1,139,200)	(1,112,535)	(1,058,836)	(1,016,016)	(969,003)	(985,825)
Accumulated other comprehensive income (loss)	139	913	(5,280)	(1,663)	(4,760)	(3,102)	(2,026)
Total CrowdStrike Holdings, Inc. stockholders' equity	<u>1,605,301</u>	<u>1,838,207</u>	<u>2,028,950</u>	<u>2,303,950</u>	<u>2,535,540</u>	<u>2,852,915</u>	<u>3,057,933</u>
Non-controlling interest	29,058	31,893	31,897	33,139	33,242	37,675	37,678
Total stockholders' equity	<u>1,634,359</u>	<u>1,870,100</u>	<u>2,060,847</u>	<u>2,337,089</u>	<u>2,568,782</u>	<u>2,890,590</u>	<u>3,095,611</u>
Total liabilities and stockholders' equity	<u>\$ 5,137,858</u>	<u>\$ 5,520,458</u>	<u>\$ 5,831,056</u>	<u>\$ 6,646,520</u>	<u>\$ 6,841,985</u>	<u>\$ 7,202,474</u>	<u>\$ 7,782,958</u>

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

	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	FY24
Operating activities								
Net income	\$ 499	\$ 8,476	\$ 26,669	\$ 54,941	\$ 46,264	\$ 46,690	\$ (16,819)	\$ 90,585
Adjustments to reconcile net income to net cash provided by operating activities:								
Depreciation and amortization	26,409	29,775	33,788	36,866	42,689	46,247	48,915	126,838
Amortization of intangible assets	4,174	4,102	4,637	5,503	5,995	6,337	6,333	18,416
Amortization of deferred contract acquisition costs	55,322	57,555	60,281	65,743	74,128	73,723	79,862	238,901
Non-cash operating lease cost	3,092	3,239	3,394	3,673	3,372	3,795	3,933	13,398
Stock-based compensation expense	130,856	164,777	159,614	176,272	183,125	200,877	208,888	631,519
Deferred income taxes	(255)	(97)	(2,003)	(1,032)	(255)	(1,674)	(193)	(3,387)
Realized gains on strategic investments	—	—	—	(3,936)	(6,881)	654	—	(3,936)
Non-cash interest expense	754	777	806	836	874	911	963	3,173
Accretion of short-term investments purchased at a discount	—	—	(1,934)	(351)	2,285	—	—	(2,285)
Change in fair value of strategic investments	—	—	—	1,459	—	—	—	1,459
Changes in operating assets and liabilities, net of impact of acquisitions								
Accounts receivable, net	165,089	(78,371)	(20,860)	(283,557)	150,249	41,811	(152,876)	(217,699)
Deferred contract acquisition costs	(49,532)	(72,475)	(84,671)	(164,971)	(66,480)	(91,853)	(203,079)	(371,649)
Prepaid expenses and other assets	(8,542)	(17,796)	4,366	(80,548)	(28,602)	(34,622)	20,392	(102,520)
Accounts payable	(18,596)	15,614	5,343	(21,259)	276	(348)	34,168	(18,898)
Accrued expenses and other liabilities	(36,576)	41,511	28,662	(19,011)	(16,629)	24,597	77,699	14,586
Accrued payroll and benefits	(17,281)	(12,880)	31,971	63,292	(17,692)	(11,740)	119,328	65,102
Operating lease liabilities	(3,199)	(3,276)	(9,672)	2,112	(4,531)	(2,582)	(4,699)	(14,035)
Deferred revenue	48,678	103,850	33,127	510,984	15,041	23,818	103,321	696,639
Net cash provided by operating activities	300,892	244,781	273,518	347,016	383,228	326,641	326,136	1,166,207
Investing activities								
Purchases of property and equipment	(62,264)	(40,417)	(21,264)	(52,584)	(49,683)	(39,254)	(78,704)	(176,529)
Capitalized internal-use software and website development cost	(10,902)	(15,073)	(12,630)	(10,852)	(10,479)	(14,516)	(16,271)	(49,457)
Purchase of strategic investments	(10,513)	(1,664)	—	(5,000)	(1,658)	(1,044)	(10,000)	(17,177)
Proceeds from sales of strategic investments	—	—	—	2,000	10,407	488	—	2,000
Business acquisitions, net of cash acquired	—	—	(238,749)	(281)	(96,376)	(5)	—	(239,030)
Purchase of intangible assets	—	(500)	(26)	(10,600)	—	—	—	(11,126)
Purchases of investments	—	—	(195,581)	—	—	—	—	(195,581)
Proceeds from maturities and sales of short-term investments	150,000	100,000	—	98,281	97,300	—	—	348,281
Purchases of deferred compensation investments	(290)	(586)	(586)	(569)	(609)	(600)	(606)	(2,031)
Proceeds from the sales of deferred compensation investments	—	—	—	—	—	41	—	—
Net cash provided by (used in) investing activities	66,031	41,760	(468,836)	20,395	(51,098)	(54,890)	(105,581)	(340,650)
Financing activities								
Proceeds from issuance of common stock upon exercise of stock options	2,651	1,474	2,053	2,517	823	1,641	844	8,695
Proceeds from issuance of common stock under the employee stock purchase plan	—	45,432	—	30,943	—	56,099	—	76,375
Distributions to non-controlling interest holders	—	—	—	—	(3,841)	(244)	—	—
Capital contributions from non-controlling interest holders	5,257	2,831	—	—	500	5,000	—	8,088
Net cash provided by (used in) financing activities	7,908	49,737	2,053	33,460	(2,518)	62,496	844	93,158
Effect of foreign exchange rates on cash, cash equivalents and restricted cash	(190)	1,273	(4,494)	5,369	(1,917)	877	399	1,958
Cash, Cash Equivalents & Restricted Cash								
Cash, cash equivalents and restricted cash, beginning of period	2,456,924	2,831,565	3,169,116	2,971,357	3,377,597	3,705,292	4,040,416	2,456,924
Net increase (decrease) in cash, cash equivalents and restricted cash	374,641	337,551	(197,759)	406,240	327,695	335,124	221,798	920,673
Cash, cash equivalents and restricted cash, end of period	\$ 2,831,565	\$ 3,169,116	\$ 2,971,357	\$ 3,377,597	\$ 3,705,292	\$ 4,040,416	\$ 4,262,214	\$ 3,377,597

CROWDSTRIKE HOLDINGS, INC.

Statements of Operations: GAAP to Non-GAAP Reconciliations

(in thousands, except per share data)
(unaudited)

	<u>Q1 FY24</u>	<u>Q2 FY24</u>	<u>Q3 FY24</u>	<u>Q4 FY24</u>	<u>Q1 FY25</u>	<u>Q2 FY25</u>	<u>Q3 FY25</u>	<u>FY24</u>
GAAP subscription gross profit	\$ 509,075	\$ 536,666	\$ 573,633	\$ 620,438	\$ 682,515	\$ 718,347	\$ 746,434	\$ 2,239,812
Stock based compensation expense	8,966	10,132	11,477	13,311	13,916	16,732	18,613	43,886
Amortization of acquired intangible assets	3,580	3,581	3,580	4,819	5,045	5,389	5,389	15,560
Non-GAAP subscription gross profit	<u>\$ 521,621</u>	<u>\$ 550,379</u>	<u>\$ 588,690</u>	<u>\$ 638,568</u>	<u>\$ 701,476</u>	<u>\$ 740,468</u>	<u>\$ 770,436</u>	<u>\$ 2,299,258</u>
GAAP professional services gross profit	\$ 14,275	\$ 12,043	\$ 17,377	\$ 16,325	\$ 13,518	\$ 8,124	\$ 8,657	\$ 60,020
Stock based compensation expense	4,630	5,745	5,645	6,282	6,273	7,344	7,498	22,302
Non-GAAP professional services gross profit	<u>\$ 18,905</u>	<u>\$ 17,788</u>	<u>\$ 23,022</u>	<u>\$ 22,607</u>	<u>\$ 19,791</u>	<u>\$ 15,468</u>	<u>\$ 16,155</u>	<u>\$ 82,322</u>
GAAP sales and marketing operating expenses	\$ 281,107	\$ 282,916	\$ 286,186	\$ 290,357	\$ 350,114	\$ 355,471	\$ 408,267	\$ 1,140,566
Stock based compensation expense	(35,739)	(51,442)	(42,544)	(46,083)	(52,258)	(57,405)	(56,251)	(175,808)
Amortization of acquired intangible assets	(531)	(446)	(506)	(602)	(603)	(602)	(603)	(2,085)
Mark-to-market adjustments on deferred compensation liabilities	(3)	(32)	68	(125)	(35)	(108)	(41)	(92)
July 19 Incident related costs, net	—	—	—	—	—	(3,093)	(15,089)	—
Non-GAAP sales and marketing operating expenses	<u>\$ 244,834</u>	<u>\$ 230,996</u>	<u>\$ 243,204</u>	<u>\$ 243,547</u>	<u>\$ 297,218</u>	<u>\$ 294,263</u>	<u>\$ 336,283</u>	<u>\$ 962,581</u>
GAAP research and development operating expenses	\$ 179,065	\$ 179,362	\$ 196,072	\$ 213,998	\$ 235,249	\$ 250,908	\$ 275,602	\$ 768,497
Stock based compensation expense	(44,381)	(46,985)	(52,388)	(62,142)	(66,742)	(75,851)	(81,874)	(205,896)
Amortization of acquired intangible assets	—	—	(468)	—	—	—	—	(468)
Acquisition-related expenses, net	(371)	—	(379)	—	(477)	—	—	(750)
Mark-to-market adjustments on deferred compensation liabilities	(1)	(13)	34	(81)	(12)	(134)	(56)	(61)
July 19 Incident related costs, net	—	—	—	—	—	(1,001)	(3,549)	—
Non-GAAP research and development operating expenses	<u>\$ 134,312</u>	<u>\$ 132,364</u>	<u>\$ 142,871</u>	<u>\$ 151,775</u>	<u>\$ 168,018</u>	<u>\$ 173,922</u>	<u>\$ 190,123</u>	<u>\$ 561,322</u>
GAAP general and administrative operating expenses	\$ 82,634	\$ 101,804	\$ 105,589	\$ 102,737	\$ 103,734	\$ 106,434	\$ 126,945	\$ 392,764
Stock based compensation expense	(37,140)	(50,473)	(47,560)	(48,454)	(43,936)	(43,545)	(44,652)	(183,627)
Acquisition-related credits (expenses), net	70	3	(3,277)	(428)	(2,147)	(535)	(1,393)	(3,632)
Amortization of acquired intangible assets	(63)	(75)	(83)	(82)	(347)	(346)	(341)	(303)
Mark-to-market adjustments on deferred compensation liabilities	—	(7)	15	(31)	(13)	(8)	(6)	(23)
Legal reserve and settlement charges	—	(2,097)	(4,700)	(1,000)	—	—	—	(7,797)
July 19 Incident related costs, net	—	—	—	—	—	(1,038)	(15,284)	—
Non-GAAP general and administrative operating expenses	<u>\$ 45,501</u>	<u>\$ 49,155</u>	<u>\$ 49,984</u>	<u>\$ 52,742</u>	<u>\$ 57,291</u>	<u>\$ 60,962</u>	<u>\$ 65,269</u>	<u>\$ 197,382</u>
GAAP income (loss) from operations	\$ (19,456)	\$ (15,373)	\$ 3,163	\$ 29,671	\$ 6,936	\$ 13,658	\$ (55,723)	\$ (1,995)
Stock based compensation expense	130,856	164,777	159,614	176,272	183,125	200,877	208,888	631,519
Amortization of acquired intangible assets	4,174	4,102	4,637	5,503	5,995	6,337	6,333	18,416
Acquisition-related expenses (credits), net	301	(3)	3,656	428	2,624	535	1,393	4,382
Mark-to-market adjustments on deferred compensation liabilities	4	52	(117)	237	60	250	103	176
Legal reserve and settlement charges	—	2,097	4,700	1,000	—	—	—	7,797
July 19 Incident related costs, net	—	—	—	—	—	5,132	33,922	—
Non-GAAP income from operations	<u>\$ 115,879</u>	<u>\$ 155,652</u>	<u>\$ 175,653</u>	<u>\$ 213,111</u>	<u>\$ 198,740</u>	<u>\$ 226,789</u>	<u>\$ 194,916</u>	<u>\$ 660,295</u>

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

	<u>Q1 FY24</u>	<u>Q2 FY24</u>	<u>Q3 FY24</u>	<u>Q4 FY24</u>	<u>Q1 FY25</u>	<u>Q2 FY25</u>	<u>Q3 FY25</u>	<u>FY24</u>
GAAP net income (loss) attributable to CrowdStrike	\$ 491	\$ 8,472	\$ 26,665	\$ 53,699	\$ 42,820	\$ 47,013	\$ (16,822)	\$ 89,327
Stock based compensation expense	130,856	164,777	159,614	176,272	183,125	200,877	208,888	631,519
Amortization of acquired intangible assets	4,174	4,102	4,637	5,503	5,995	6,337	6,333	18,416
Acquisition-related credits (expenses), net	301	(3)	3,656	428	2,624	535	1,393	4,382
Amortization of debt issuance costs and discount	546	547	547	546	546	547	547	2,186
Mark-to-market adjustments on deferred compensation liabilities	4	52	(117)	237	60	250	103	176
Legal reserve and settlement charges	—	2,097	4,700	1,000	—	—	—	7,797
July 19 Incident related costs, net	—	—	—	—	—	5,132	33,922	—
Benefit for income taxes ⁽¹⁾	—	—	(615)	—	—	—	—	(615)
Losses (gains) and other income from strategic investments attributable to CrowdStrike	(8)	(4)	(4)	(1,242)	(3,444)	323	(3)	(1,258)
Losses (gains) on deferred compensation assets	(4)	(52)	117	(237)	(60)	(250)	(103)	(176)
Non-GAAP net income attributable to CrowdStrike	<u>\$ 136,360</u>	<u>\$ 179,988</u>	<u>\$ 199,200</u>	<u>\$ 236,206</u>	<u>\$ 231,666</u>	<u>\$ 260,764</u>	<u>\$ 234,258</u>	<u>\$ 751,754</u>
Weighted-average shares used in computing basic net income (loss) per share attributable to CrowdStrike common stockholders (GAAP)	<u>236,414</u>	<u>237,911</u>	<u>239,297</u>	<u>240,856</u>	<u>242,389</u>	<u>244,091</u>	<u>245,536</u>	<u>238,637</u>
GAAP basic net income (loss) per share attributable to CrowdStrike common stockholders	<u>\$ 0.00</u>	<u>\$ 0.04</u>	<u>\$ 0.11</u>	<u>\$ 0.22</u>	<u>\$ 0.18</u>	<u>\$ 0.19</u>	<u>\$ (0.07)</u>	<u>\$ 0.37</u>
GAAP diluted net income (loss) per share attributable to CrowdStrike common stockholders	\$ 0.00	\$ 0.03	\$ 0.11	\$ 0.22	\$ 0.17	\$ 0.19	\$ (0.07)	\$ 0.37
Stock-based compensation expense	0.54	0.68	0.65	0.71	0.73	0.80	0.83	2.59
Amortization of acquired intangible assets	0.02	0.02	0.02	0.02	0.02	0.03	0.03	0.08
Acquisition-related expenses, net	—	—	0.01	—	0.01	—	0.01	0.02
Amortization of debt issuance costs and discount	—	—	—	—	—	—	—	0.01
Mark-to-market adjustments on deferred compensation liabilities	—	—	—	—	—	—	—	—
Legal reserve and settlement charges	—	0.01	0.02	—	—	—	—	0.03
July 19 Incident related costs, net	—	—	—	—	—	0.02	0.14	—
Benefit for income taxes ⁽¹⁾	—	—	—	—	—	—	—	—
Losses (gains) and other income from strategic investments attributable to CrowdStrike	—	—	—	(0.01)	(0.01)	—	—	(0.01)
Losses (gains) on deferred compensation assets	—	—	—	—	—	—	—	—
Other ⁽²⁾	0.01	—	0.01	0.01	0.01	—	(0.01)	—
Non-GAAP diluted net income per share attributable to CrowdStrike common stockholders	<u>\$ 0.57</u>	<u>\$ 0.74</u>	<u>\$ 0.82</u>	<u>\$ 0.95</u>	<u>\$ 0.93</u>	<u>\$ 1.04</u>	<u>\$ 0.93</u>	<u>\$ 3.09</u>
Weighted-average shares used in computing Non-GAAP diluted net income per share attributable to CrowdStrike common stockholders	240,598	242,144	243,799	247,936	250,164	251,265	250,777	243,635

(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 acquisitions are included in the GAAP provision for income taxes. The income tax benefits related to stock-based compensation, amortization of acquired intangible assets (including purchased patents), acquisition related expenses, amortization of debt issuance costs and discount, losses (gains) and other income from strategic investments attributable to CrowdStrike, mark-to-market adjustments on deferred compensation liabilities, gains on deferred compensation assets, legal reserve and settlement charges, and July 19 Incident related costs and (recoveries), net included in the GAAP provision for income taxes were not material for all periods presented.

(2) For periods in which we had diluted non-GAAP net income 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 per share attributable to CrowdStrike common stockholders because of rounding differences.

CROWDSTRIKE HOLDINGS, INC.

Additional Metrics

(In thousands, except percentages and remaining performance obligations)
(unaudited)

	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	FY24
Annual recurring revenue	\$ 2,733,931	\$ 2,930,132	\$ 3,153,243	\$ 3,435,150	\$ 3,646,881	\$ 3,864,512	\$ 4,017,540	\$ 3,435,150
Year-over-year growth	42%	37%	35%	34%	33%	32%	27%	34%
Remaining performance obligations (in billions)	\$ 3.3	\$ 3.6	\$ 3.7	\$ 4.6	\$ 4.7	\$ 4.9	\$ 5.4	\$ 4.6
Free cash flow reconciliation:								
GAAP net cash provided by operating activities	\$ 300,892	\$ 244,781	\$ 273,518	\$ 347,016	\$ 383,228	\$ 326,641	\$ 326,136	\$ 1,166,207
Purchases of property and equipment	(62,264)	(40,417)	(21,264)	(52,584)	(49,683)	(39,254)	(78,704)	(176,529)
Capitalized internal-use software and website development	(10,902)	(15,073)	(12,630)	(10,852)	(10,479)	(14,516)	(16,271)	(49,457)
Purchases of deferred compensation investments	(290)	(586)	(586)	(569)	(609)	(600)	(606)	(2,031)
Proceeds from sale of deferred compensation investments	—	—	—	—	—	(41)	—	—
Free cash flow	<u>\$ 227,436</u>	<u>\$ 188,705</u>	<u>\$ 239,038</u>	<u>\$ 283,011</u>	<u>\$ 322,457</u>	<u>\$ 272,230</u>	<u>\$ 230,555</u>	<u>\$ 938,190</u>
Revenue by geographic regions:								
United States	\$ 474,825	\$ 500,864	\$ 537,880	\$ 574,485	\$ 630,026	\$ 655,001	\$ 683,476	\$ 2,088,054
Europe, Middle East, and Africa	104,552	111,909	119,158	132,309	141,612	148,851	160,574	467,928
Asia Pacific	72,219	75,198	81,459	86,648	93,462	98,274	102,837	315,524
Other	40,984	43,655	47,517	51,893	55,936	61,746	63,291	184,049
Total revenue	<u>\$ 692,580</u>	<u>\$ 731,626</u>	<u>\$ 786,014</u>	<u>\$ 845,335</u>	<u>\$ 921,036</u>	<u>\$ 963,872</u>	<u>\$ 1,010,178</u>	<u>\$ 3,055,555</u>
Geographic breakdown of total revenue:								
United States	69%	69%	69%	68%	68%	68%	68%	68%
Europe, Middle East, and Africa	15%	15%	15%	16%	15%	15%	16%	15%
Asia Pacific	10%	10%	10%	10%	10%	10%	10%	10%
Other	6%	6%	6%	6%	7%	7%	6%	7%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
Non-GAAP gross margin	78%	78%	78%	78%	78%	78%	78%	78%
Non-GAAP subscription gross margin	80%	80%	80%	80%	80%	81%	80%	80%
Non-GAAP operating expenses	\$ 424,647	\$ 412,515	\$ 436,059	\$ 448,064	\$ 522,527	\$ 529,147	\$ 591,675	\$ 1,721,285
Non-GAAP operating expenses as a percentage of revenue	61%	56%	55%	53%	57%	55%	59%	56%
Non-GAAP operating margin	17%	21%	22%	25%	22%	24%	19%	22%