

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, and legal reserve and settlement charges or benefits.

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

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>FY24</u>
Revenue						
Subscription	\$ 651,175	\$ 689,972	\$ 733,463	\$ 795,947	\$ 872,172	\$ 2,870,557
Professional services	41,405	41,654	52,551	49,388	48,864	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>3,055,555</u>
Cost of revenue						
Subscription	142,100	153,306	159,830	175,509	189,657	630,745
Professional services	27,130	29,611	35,174	33,063	35,346	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>755,723</u>
Gross profit						
Subscription	509,075	536,666	573,633	620,438	682,515	2,239,812
Professional services	14,275	12,043	17,377	16,325	13,518	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>2,299,832</u>
Operating expenses						
Sales and marketing	281,107	282,916	286,186	290,357	350,114	1,140,566
Research and development	179,065	179,362	196,072	213,998	235,249	768,497
General and administrative	82,634	101,804	105,589	102,737	103,734	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>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>(1,995)</u>
Interest expense	(6,387)	(6,444)	(6,503)	(6,422)	(6,511)	(25,756)
Interest income	30,521	36,638	40,086	41,685	45,850	148,930
Other income (expense), net	230	(1,734)	(474)	3,616	7,656	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>122,817</u>
Provision for income taxes	4,409	4,611	9,603	13,609	7,667	32,232
Net income	499	8,476	26,669	54,941	46,264	90,585
Net income attributable to non-controlling interest	8	4	4	1,242	3,444	1,258
Net income attributable to CrowdStrike	<u>\$ 491</u>	<u>\$ 8,472</u>	<u>\$ 26,665</u>	<u>\$ 53,699</u>	<u>\$ 42,820</u>	<u>\$ 89,327</u>
Net income 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>\$ 0.37</u>
Diluted	<u>\$ 0.00</u>	<u>\$ 0.03</u>	<u>\$ 0.11</u>	<u>\$ 0.22</u>	<u>\$ 0.17</u>	<u>\$ 0.37</u>
Weighted-average shares used in computing net income 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>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>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>
Assets					
Current assets:					
Cash and cash equivalents	\$ 2,829,677	\$ 3,167,215	\$ 2,968,872	\$ 3,375,069	\$ 3,702,437
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
Deferred contract acquisition costs, current	186,901	197,111	209,216	246,370	244,651
Prepaid expenses and other current assets	131,100	146,597	141,651	183,172	191,678
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>
Strategic investments	57,877	59,541	59,541	56,244	58,419
Property and equipment, net	523,721	561,587	581,037	620,172	627,381
Operating lease right-of-use assets	50,459	46,179	50,941	48,211	48,598
Deferred contract acquisition costs, noncurrent	254,397	261,574	273,859	335,933	330,004
Goodwill	430,755	430,697	637,678	638,041	721,973
Intangible assets, net	83,215	79,139	109,423	114,518	122,024
Other long-term assets	28,664	31,355	39,444	76,094	91,964
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>
Liabilities and Stockholders' Equity					
Current liabilities:					
Accounts payable	\$ 16,900	\$ 37,073	\$ 56,968	\$ 28,180	\$ 21,299
Accrued expenses	91,494	122,419	146,050	125,896	102,116
Accrued payroll and benefits	151,099	138,471	169,768	234,624	216,695
Operating lease liabilities	16,215	16,133	14,430	14,150	16,020
Deferred revenue	1,788,304	1,894,005	1,942,750	2,270,757	2,309,329
Other current liabilities	16,052	21,362	20,451	23,672	18,227
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>
Long-term debt	741,377	741,750	742,122	742,494	742,866
Deferred revenue, noncurrent	615,487	613,637	600,366	783,342	760,050
Operating lease liabilities, noncurrent	36,774	32,688	38,371	36,230	34,090
Other liabilities, noncurrent	29,797	32,820	38,933	50,086	52,511
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>
Stockholders' Equity					
Common stock	\$ 118	\$ 119	\$ 120	\$ 121	\$ 122
Additional paid-in capital	2,752,716	2,976,375	3,146,645	3,364,328	3,556,194
Accumulated deficit	(1,147,672)	(1,139,200)	(1,112,535)	(1,058,836)	(1,016,016)
Accumulated other comprehensive income (loss)	139	913	(5,280)	(1,663)	(4,760)
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>
Non-controlling interest	29,058	31,893	31,897	33,139	33,242
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>
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>

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

	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	FY24
Operating activities						
Net income	\$ 499	\$ 8,476	\$ 26,669	\$ 54,941	\$ 46,264	\$ 90,585
Adjustments to reconcile net income (loss) to net cash provided by operating activities:						
Depreciation and amortization	26,409	29,775	33,788	36,866	42,689	126,838
Amortization of intangible assets	4,174	4,102	4,637	5,503	5,995	18,416
Amortization of deferred contract acquisition costs	55,322	57,555	60,281	65,743	74,128	238,901
Non-cash operating lease cost	3,092	3,239	3,394	3,673	3,372	13,398
Stock-based compensation expense	130,856	164,777	159,614	176,272	183,125	631,519
Deferred income taxes	(255)	(97)	(2,003)	(1,032)	(255)	(3,387)
Realized gains on strategic investments	—	—	—	(3,936)	(6,881)	(3,936)
Accretion of short-term investments purchased at a discount	—	—	(1,934)	(351)	2,285	(2,285)
Non-cash interest expense	754	777	806	836	874	3,173
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	(217,699)
Deferred contract acquisition costs	(49,532)	(72,475)	(84,671)	(164,971)	(66,480)	(371,649)
Prepaid expenses and other assets	(8,542)	(17,796)	4,366	(80,548)	(28,602)	(102,520)
Accounts payable	(18,596)	15,614	5,343	(21,259)	276	(18,898)
Accrued expenses and other liabilities	(36,576)	41,511	28,662	(19,011)	(16,629)	14,586
Accrued payroll and benefits	(17,281)	(12,880)	31,971	63,292	(17,692)	65,102
Operating lease liabilities	(3,199)	(3,276)	(9,672)	2,112	(4,531)	(14,035)
Deferred revenue	48,678	103,850	33,127	510,984	15,041	696,639
Net cash provided by operating activities	300,892	244,781	273,518	347,016	383,228	1,166,207
Investing activities						
Purchases of property and equipment	(62,264)	(40,417)	(21,264)	(52,584)	(49,683)	(176,529)
Capitalized internal-use software and website development cost	(10,902)	(15,073)	(12,630)	(10,852)	(10,479)	(49,457)
Purchase of strategic investments	(10,513)	(1,664)	—	(5,000)	(1,658)	(17,177)
Proceeds from sales of strategic investments	—	—	—	2,000	10,407	2,000
Business acquisitions, net of cash acquired	—	—	(238,749)	(281)	(96,376)	(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)	(2,031)
Net cash provided by (used in) investing activities	66,031	41,760	(468,836)	20,395	(51,098)	(340,650)
Financing activities						
Proceeds from issuance of common stock upon exercise of stock options	2,651	1,474	2,053	2,517	823	8,695
Distributions to non-controlling interest holders	—	—	—	—	(3,841)	—
Proceeds from issuance of common stock under the employee stock purchase plan	—	45,432	—	30,943	—	76,375
Capital contributions from non-controlling interest holders	5,257	2,831	—	—	500	8,088
Net cash provided by (used in) financing activities	7,908	49,737	2,053	33,460	(2,518)	93,158
Effect of foreign exchange rates on cash, cash equivalents and restricted cash	(190)	1,273	(4,494)	5,369	(1,917)	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	2,456,924
Net increase (decrease) in cash, cash equivalents and restricted cash	374,641	337,551	(197,759)	406,240	327,695	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	\$ 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>FY24</u>
GAAP subscription gross profit	\$ 509,075	\$ 536,666	\$ 573,633	\$ 620,438	\$ 682,515	\$ 2,239,812
Stock based compensation expense	8,966	10,132	11,477	13,311	13,916	43,886
Amortization of acquired intangible assets	3,580	3,581	3,580	4,819	5,045	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>\$ 2,299,258</u>
GAAP professional services gross profit	\$ 14,275	\$ 12,043	\$ 17,377	\$ 16,325	\$ 13,518	\$ 60,020
Stock based compensation expense	4,630	5,745	5,645	6,282	6,273	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>\$ 82,322</u>
GAAP sales and marketing operating expenses	\$ 281,107	\$ 282,916	\$ 286,186	\$ 290,357	\$ 350,114	\$ 1,140,566
Stock based compensation expense	(35,739)	(51,442)	(42,544)	(46,083)	(52,258)	(175,808)
Amortization of acquired intangible assets	(531)	(446)	(506)	(602)	(603)	(2,085)
Mark-to-market adjustments on deferred compensation liabilities	(3)	(32)	68	(125)	(35)	(92)
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>\$ 962,581</u>
GAAP research and development operating expenses	\$ 179,065	\$ 179,362	\$ 196,072	\$ 213,998	\$ 235,249	\$ 768,497
Stock based compensation expense	(44,381)	(46,985)	(52,388)	(62,142)	(66,742)	(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)	(61)
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>\$ 561,322</u>
GAAP general and administrative operating expenses	\$ 82,634	\$ 101,804	\$ 105,589	\$ 102,737	\$ 103,734	\$ 392,764
Stock based compensation expense	(37,140)	(50,473)	(47,560)	(48,454)	(43,936)	(183,627)
Acquisition-related credits (expenses), net	70	3	(3,277)	(428)	(2,147)	(3,632)
Amortization of acquired intangible assets	(63)	(75)	(83)	(82)	(347)	(303)
Mark-to-market adjustments on deferred compensation liabilities	—	(7)	15	(31)	(13)	(23)
Legal reserve and settlement charges	—	(2,097)	(4,700)	(1,000)	—	(7,797)
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>\$ 197,382</u>
GAAP income (loss) from operations	\$ (19,456)	\$ (15,373)	\$ 3,163	\$ 29,671	\$ 6,936	\$ (1,995)
Stock based compensation expense	130,856	164,777	159,614	176,272	183,125	631,519
Amortization of acquired intangible assets	4,174	4,102	4,637	5,503	5,995	18,416
Acquisition-related expenses (credits), net	301	(3)	3,656	428	2,624	4,382
Mark-to-market adjustments on deferred compensation liabilities	4	52	(117)	237	60	176
Legal reserve and settlement charges	—	2,097	4,700	1,000	—	7,797
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>\$ 660,295</u>

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

	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	FY24
GAAP net income attributable to CrowdStrike	\$ 491	\$ 8,472	\$ 26,665	\$ 53,699	\$ 42,820	\$ 89,327
Stock based compensation expense	130,856	164,777	159,614	176,272	183,125	631,519
Amortization of acquired intangible assets	4,174	4,102	4,637	5,503	5,995	18,416
Acquisition-related credits (expenses), net	301	(3)	3,656	428	2,624	4,382
Amortization of debt issuance costs and discount	546	547	547	546	546	2,186
Mark-to-market adjustments on deferred compensation liabilities	4	52	(117)	237	60	176
Legal reserve and settlement charges	—	2,097	4,700	1,000	—	7,797
Benefit for income taxes ⁽¹⁾	—	—	(615)	—	—	(615)
Gains and other income from strategic investments attributable to CrowdStrike	(8)	(4)	(4)	(1,242)	(3,444)	(1,258)
Losses (gains) on deferred compensation assets	(4)	(52)	117	(237)	(60)	(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>\$ 751,754</u>
Weighted-average shares used in computing basic net income 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>238,637</u>
GAAP basic net income 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>\$ 0.37</u>
GAAP diluted net income per share attributable to CrowdStrike common stockholders	<u>\$ 0.00</u>	<u>\$ 0.03</u>	<u>\$ 0.11</u>	<u>\$ 0.22</u>	<u>\$ 0.17</u>	<u>\$ 0.37</u>
Stock-based compensation expense	0.54	0.68	0.65	0.71	0.73	2.59
Amortization of acquired intangible assets	0.02	0.02	0.02	0.02	0.02	0.08
Acquisition-related expenses, net	—	—	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
Benefit for income taxes ⁽¹⁾	—	—	—	—	—	—
Gains and other income from strategic investments attributable to CrowdStrike	—	—	—	(0.01)	(0.01)	(0.01)
Gains on deferred compensation assets	—	—	—	—	—	—
Other ⁽²⁾	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>\$ 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	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, and legal reserve and settlement charges 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	FY24
Annual recurring revenue	\$ 2,733,931	\$ 2,930,132	\$ 3,153,243	\$ 3,435,150	\$ 3,646,881	\$ 3,435,150
Year-over-year growth	42%	37%	35%	34%	33%	34%
Remaining performance obligations (in billions)	\$ 3.3	\$ 3.6	\$ 3.7	\$ 4.6	\$ 4.7	\$ 4.6
Free cash flow reconciliation:						
GAAP net cash provided by operating activities	\$ 300,892	\$ 244,781	\$ 273,518	\$ 347,016	\$ 383,228	\$ 1,166,207
Purchases of property and equipment	(62,264)	(40,417)	(21,264)	(52,584)	(49,683)	(176,529)
Capitalized internal-use software and website development	(10,902)	(15,073)	(12,630)	(10,852)	(10,479)	(49,457)
Purchases of deferred compensation investments	(290)	(586)	(586)	(569)	(609)	(2,031)
Free cash flow	<u>\$ 227,436</u>	<u>\$ 188,705</u>	<u>\$ 239,038</u>	<u>\$ 283,011</u>	<u>\$ 322,457</u>	<u>\$ 938,190</u>
Revenue by geographic regions:						
United States	\$ 474,825	\$ 500,864	\$ 537,880	\$ 574,485	\$ 630,026	\$ 2,088,054
Europe, Middle East, and Africa	104,552	111,909	119,158	132,309	141,612	467,928
Asia Pacific	72,219	75,198	81,459	86,648	93,462	315,524
Other	40,984	43,655	47,517	51,893	55,936	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>\$ 3,055,555</u>
Geographic breakdown of total revenue:						
United States	69%	69%	69%	68%	68%	68%
Europe, Middle East, and Africa	15%	15%	15%	16%	15%	15%
Asia Pacific	10%	10%	10%	10%	10%	10%
Other	6%	6%	6%	6%	7%	7%
Total	<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%
Non-GAAP subscription gross margin	80%	80%	80%	80%	80%	80%
Non-GAAP operating expenses	\$ 424,647	\$ 412,515	\$ 436,059	\$ 448,064	\$ 522,527	\$ 1,721,285
Non-GAAP operating expenses as a percentage of revenue	61%	56%	55%	53%	57%	56%
Non-GAAP operating margin	17%	21%	22%	25%	22%	22%