

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. 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.

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 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.

Non-GAAP Net Income Attributable to CrowdStrike

We define non-GAAP net income attributable to CrowdStrike as GAAP net income attributable to CrowdStrike excluding stock-based compensation expense, amortization of acquired intangible assets, including purchased patent, acquisition-related expenses, amortization of debt issuance costs and discount, gains and other income from strategic investments, legal reserve and settlement charges or benefits and the tax costs for intellectual property integration relating to acquisitions.

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 common stockholders 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 legal reserve and settlement charges or benefits. We exclude these charges or benefits from non-GAAP net income attributable to CrowdStrike common stockholders 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 operating activities less purchases of property and equipment and capitalized internal-use software and website development. 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: $((\text{Quarter Subscription Revenue} - \text{Prior Quarter Subscription Revenue}) \times 4) / \text{Prior Quarter Non-GAAP Sales \& Marketing Expense}$.

CROWDSTRIKE HOLDINGS, INC.

Condensed Consolidated Statements of Operations

(in thousands, except per share data)

(unaudited)

	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	FY22
Revenue								
Subscription	\$ 281,228	\$ 315,836	\$ 357,030	\$ 405,443	\$ 459,822	\$ 506,199	\$ 547,376	\$ 1,359,537
Professional services	21,615	21,854	23,021	25,567	28,012	28,954	33,506	92,057
Total revenue	302,843	337,690	380,051	431,010	487,834	535,153	580,882	1,451,594
Cost of revenue								
Subscription	64,903	75,993	85,464	95,544	107,942	120,087	134,229	321,904
Professional services	13,602	14,439	16,200	17,076	18,890	20,480	23,999	61,317
Total cost of revenue	78,505	90,432	101,664	112,620	126,832	140,567	158,228	383,221
Gross profit								
Subscription	216,325	239,843	271,566	309,899	351,880	386,112	413,147	1,037,633
Professional services	8,013	7,415	6,821	8,491	9,122	8,474	9,507	30,740
Total gross profit	224,338	247,258	278,387	318,390	361,002	394,586	422,654	1,068,373
Operating expenses								
Sales and marketing	135,131	153,861	164,960	162,594	193,532	224,766	239,672	616,546
Research and development	78,180	90,455	97,630	105,018	123,399	137,864	155,256	371,283
General and administrative	42,374	50,345	56,061	74,312	67,954	80,263	84,148	223,092
Total operating expenses	255,685	294,661	318,651	341,924	384,885	442,893	479,076	1,210,921
Loss from operations	(31,347)	(47,403)	(40,264)	(23,534)	(23,883)	(48,307)	(56,422)	(142,548)
Interest expense	(6,230)	(6,296)	(6,403)	(6,302)	(6,298)	(6,335)	(6,334)	(25,231)
Interest income	762	872	1,019	1,134	1,507	7,727	16,245	3,787
Other income (expense), net	4,006	(253)	(329)	545	1,705	3,380	750	3,969
Loss before provision for income taxes	(32,809)	(53,080)	(45,977)	(28,157)	(26,969)	(43,535)	(45,761)	(160,023)
Provision for income taxes	50,062	4,238	4,473	13,582	3,440	4,778	8,870	72,355
Net loss	(82,871)	(57,318)	(50,450)	(41,739)	(30,409)	(48,313)	(54,631)	(232,378)
Net income attributable to non-controlling interest	2,178	—	5	241	1,114	972	325	2,424
Net loss attributable to CrowdStrike	\$ (85,049)	\$ (57,318)	\$ (50,455)	\$ (41,980)	\$ (31,523)	\$ (49,285)	\$ (54,956)	\$ (234,802)
Net loss per share attributable to CrowdStrike common stockholders, basic and diluted	<u>\$ (0.38)</u>	<u>\$ (0.25)</u>	<u>\$ (0.22)</u>	<u>\$ (0.18)</u>	<u>\$ (0.14)</u>	<u>\$ (0.21)</u>	<u>\$ (0.24)</u>	<u>\$ (1.03)</u>
Weighted-average shares used in computing net loss per share attributable to CrowdStrike common stockholders, basic and diluted	<u>224,153</u>	<u>226,362</u>	<u>228,293</u>	<u>229,662</u>	<u>231,179</u>	<u>232,554</u>	<u>233,785</u>	<u>227,142</u>

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

	<u>Q1 FY22</u>	<u>Q2 FY22</u>	<u>Q3 FY22</u>	<u>Q4 FY22</u>	<u>Q1 FY23</u>	<u>Q2 FY23</u>	<u>Q3 FY23</u>
Assets							
Current assets:							
Cash and cash equivalents	\$ 1,684,997	\$ 1,787,051	\$ 1,907,508	\$ 1,996,633	\$ 2,152,736	\$ 2,318,858	\$ 2,466,551
Accounts receivable, net of allowance for credit losses	211,233	266,540	283,272	368,145	369,130	418,799	485,313
Deferred contract acquisition costs, current	85,388	95,470	108,636	126,822	135,681	148,125	162,260
Prepaid expenses and other current assets	56,385	102,964	60,670	79,352	75,511	90,198	89,489
Total current assets	<u>2,038,003</u>	<u>2,252,025</u>	<u>2,360,086</u>	<u>2,570,952</u>	<u>2,733,058</u>	<u>2,975,980</u>	<u>3,203,613</u>
Strategic investments	8,165	14,165	22,665	23,632	28,665	35,585	46,395
Property and equipment, net	191,310	215,832	242,224	260,577	316,309	383,012	430,030
Operating lease right-of-use assets	36,683	34,854	33,893	31,735	28,701	28,463	25,621
Deferred contract acquisition costs, noncurrent	125,392	140,443	162,309	192,358	197,261	202,441	218,635
Goodwill	374,581	374,310	373,889	416,445	416,228	416,066	430,285
Intangible assets, net	88,851	85,580	82,870	97,336	93,945	89,840	89,500
Other long-term assets	18,186	18,836	21,681	25,346	21,668	22,849	25,364
Total assets	<u>\$ 2,881,171</u>	<u>\$ 3,136,045</u>	<u>\$ 3,299,617</u>	<u>\$ 3,618,381</u>	<u>\$ 3,835,835</u>	<u>\$ 4,154,236</u>	<u>\$ 4,469,443</u>
Liabilities and Stockholders' Equity							
Current liabilities:							
Accounts payable	\$ 3,468	\$ 19,642	\$ 7,167	\$ 47,634	\$ 11,024	\$ 53,817	\$ 89,289
Accrued expenses	49,627	70,162	76,758	83,382	94,966	101,181	88,918
Accrued payroll and benefits	79,099	95,462	94,738	104,563	116,406	102,687	122,558
Operating lease liabilities	9,333	9,374	9,706	9,820	9,967	10,316	10,423
Deferred revenue	786,793	882,969	974,571	1,136,502	1,249,198	1,363,558	1,483,223
Other current liabilities	54,445	59,219	78,607	24,929	15,542	17,691	22,642
Total current liabilities	<u>982,765</u>	<u>1,136,828</u>	<u>1,241,547</u>	<u>1,406,830</u>	<u>1,497,103</u>	<u>1,649,250</u>	<u>1,817,053</u>
Long-term debt	738,400	738,772	739,145	739,517	739,889	740,261	740,633
Deferred revenue, noncurrent	235,198	281,388	313,625	392,819	443,399	480,594	532,316
Operating lease liabilities, noncurrent	31,458	29,378	27,895	25,379	22,197	21,340	17,984
Other liabilities, noncurrent	39,953	38,278	17,835	16,193	16,250	19,444	23,825
Total liabilities	<u>\$ 2,027,774</u>	<u>\$ 2,224,644</u>	<u>\$ 2,340,047</u>	<u>\$ 2,580,738</u>	<u>\$ 2,718,838</u>	<u>\$ 2,910,889</u>	<u>\$ 3,131,811</u>
Stockholders' Equity							
Common stock	\$ 113	\$ 114	\$ 115	\$ 115	\$ 116	\$ 116	\$ 117
Additional paid-in capital	1,662,199	1,775,087	1,870,120	1,991,807	2,103,054	2,276,704	2,424,038
Accumulated deficit	(815,165)	(872,483)	(922,938)	(964,918)	(996,441)	(1,045,726)	(1,100,682)
Accumulated other comprehensive income (loss)	2,117	1,550	885	(1,240)	(4,188)	(5,675)	(9,184)
Total CrowdStrike Holdings, Inc. stockholders' equity	<u>849,264</u>	<u>904,268</u>	<u>948,182</u>	<u>1,025,764</u>	<u>1,102,541</u>	<u>1,225,419</u>	<u>1,314,289</u>
Non-controlling interest	4,133	7,133	11,388	11,879	14,456	17,928	23,343
Total stockholders' equity	<u>853,397</u>	<u>911,401</u>	<u>959,570</u>	<u>1,037,643</u>	<u>1,116,997</u>	<u>1,243,347</u>	<u>1,337,632</u>
Total liabilities and stockholders' equity	<u>\$ 2,881,171</u>	<u>\$ 3,136,045</u>	<u>\$ 3,299,617</u>	<u>\$ 3,618,381</u>	<u>\$ 3,835,835</u>	<u>\$ 4,154,236</u>	<u>\$ 4,469,443</u>

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

	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	FY22
Operating activities								
Net loss	\$ (82,871)	\$ (57,318)	\$ (50,450)	\$ (41,739)	\$ (30,409)	\$ (48,313)	\$ (54,631)	\$ (232,378)
Adjustments to reconcile net loss to net cash provided by operating activities:								
Depreciation and amortization	11,974	12,995	14,537	16,402	16,341	17,805	19,476	55,908
Amortization of intangible assets	2,417	3,318	3,337	3,830	4,088	4,104	4,146	12,902
Amortization of deferred contract acquisition costs	24,376	26,043	29,293	34,172	37,592	39,962	43,996	113,884
Non-cash operating lease cost	2,180	2,289	2,258	2,376	2,237	2,287	2,294	9,103
Stock-based compensation expense	54,362	76,287	86,666	92,637	102,494	131,550	140,113	309,952
Deferred income taxes	(207)	(760)	(371)	(12,618)	1,752	(148)	682	(13,956)
Non-cash interest expense	595	604	625	645	669	697	711	2,469
Change in fair value of strategic investments	(4,356)	—	—	(467)	(2,208)	(1,920)	(629)	(4,823)
Changes in operating assets and liabilities, net of impact of acquisitions								
Accounts receivable, net	31,740	(55,643)	(16,741)	(84,710)	(1,058)	(49,670)	(66,512)	(125,354)
Deferred contract acquisition costs	(36,400)	(51,176)	(64,325)	(82,407)	(51,354)	(57,586)	(74,325)	(234,308)
Prepaid expenses and other assets	(685)	(46,002)	38,636	(21,484)	4,243	(15,181)	(3,183)	(29,535)
Accounts payable	(10,562)	15,945	(12,416)	40,281	(36,431)	37,225	24,213	33,248
Accrued expenses and other liabilities	42,180	25,110	7,136	(35,943)	(7,300)	13,023	16,097	38,483
Accrued payroll and benefits	5,969	16,884	(595)	10,423	13,235	(12,990)	21,390	32,681
Operating lease liabilities	(2,555)	(2,467)	(2,372)	(2,506)	(2,210)	(2,494)	(2,333)	(9,900)
Deferred revenue	109,376	142,366	123,840	240,826	163,276	151,555	171,346	616,408
Net cash provided by operating activities	147,533	108,475	159,058	159,718	214,957	209,906	242,851	574,784
Investing activities								
Purchases of property and equipment	(25,796)	(29,997)	(29,627)	(26,723)	(52,211)	(66,128)	(61,270)	(112,143)
Capitalized internal-use software and website development	(4,434)	(4,839)	(5,928)	(5,665)	(5,214)	(8,021)	(7,504)	(20,866)
Purchase of strategic investments	(1,309)	(6,000)	(8,500)	(500)	(2,825)	(5,000)	(10,181)	(16,309)
Business acquisitions, net of cash acquired	(353,407)	(339)	—	(60,772)	—	—	(18,464)	(414,518)
Purchase of intangible assets	—	—	(680)	—	(700)	—	—	(680)
Net cash used in investing activities	(384,946)	(41,175)	(44,735)	(93,660)	(60,950)	(79,149)	(97,419)	(564,516)
Financing activities								
Payments of debt issuance costs related to Senior Notes	(1,581)	—	—	—	—	—	—	(1,581)
Issuance costs related to revolving line of credit	(219)	—	—	—	—	—	—	(219)
Repayment of loan payable	—	—	—	—	—	—	(1,591)	—
Proceeds from issuance of common stock upon exercise of stock options	3,754	5,738	3,304	3,103	3,106	1,813	1,477	15,899
Proceeds from issuance of common stock under the employee stock purchase plan	—	27,452	—	22,825	—	34,445	—	50,277
Capital contributions from non-controlling interest holders	655	3,000	4,250	250	1,462	2,501	5,090	8,155
Net cash provided by financing activities	2,609	36,190	7,554	26,178	4,568	38,759	4,976	72,531
Effect of foreign exchange rates on cash, cash equivalents and restricted cash	1,193	(1,436)	(1,420)	(3,111)	(2,472)	(1,858)	(2,744)	(4,774)
Cash, Cash Equivalents & Restricted Cash								
Cash, cash equivalents and restricted cash, beginning of period	1,918,608	1,684,997	1,787,051	1,907,508	1,996,633	2,152,736	2,320,394	1,918,608
Net increase (decrease) in cash, cash equivalents and restricted cash	(233,611)	102,054	120,457	89,125	156,103	167,658	147,664	78,025
Cash, cash equivalents and restricted cash, end of period	\$ 1,684,997	\$ 1,787,051	\$ 1,907,508	\$ 1,996,633	\$ 2,152,736	\$ 2,320,394	\$ 2,468,058	\$ 1,996,633

CROWDSTRIKE HOLDINGS, INC.

Statements of Operations: GAAP to Non-GAAP Reconciliations

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

	<u>Q1 FY22</u>	<u>Q2 FY22</u>	<u>Q3 FY22</u>	<u>Q4 FY22</u>	<u>Q1 FY23</u>	<u>Q2 FY23</u>	<u>Q3 FY23</u>	<u>FY22</u>
GAAP subscription gross profit	\$ 216,325	\$ 239,843	\$ 271,566	\$ 309,899	\$ 351,880	\$ 386,112	\$ 413,147	\$ 1,037,633
Stock based compensation expense	4,285	5,294	5,969	6,496	6,578	7,271	8,108	22,044
Amortization of acquired intangible assets	1,995	2,771	2,784	3,208	3,425	3,427	3,484	10,758
Non-GAAP subscription gross profit	<u>\$ 222,605</u>	<u>\$ 247,908</u>	<u>\$ 280,319</u>	<u>\$ 319,603</u>	<u>\$ 361,883</u>	<u>\$ 396,810</u>	<u>\$ 424,739</u>	<u>\$ 1,070,435</u>
GAAP professional services gross profit	\$ 8,013	\$ 7,415	\$ 6,821	\$ 8,491	\$ 9,122	\$ 8,474	\$ 9,507	\$ 30,740
Stock based compensation expense	2,028	2,389	2,546	3,087	3,001	3,502	4,093	10,050
Non-GAAP professional services gross profit	<u>\$ 10,041</u>	<u>\$ 9,804</u>	<u>\$ 9,367</u>	<u>\$ 11,578</u>	<u>\$ 12,123</u>	<u>\$ 11,976</u>	<u>\$ 13,600</u>	<u>\$ 40,790</u>
GAAP sales and marketing operating expenses	\$ 135,131	\$ 153,861	\$ 164,960	\$ 162,594	\$ 193,532	\$ 224,766	\$ 239,672	\$ 616,546
Stock based compensation expense	(17,414)	(25,265)	(25,499)	(21,456)	(26,710)	(40,567)	(41,895)	(89,634)
Amortization of acquired intangible assets	(422)	(547)	(540)	(608)	(649)	(648)	(641)	(2,117)
Non-GAAP sales and marketing operating expenses	<u>\$ 117,295</u>	<u>\$ 128,049</u>	<u>\$ 138,921</u>	<u>\$ 140,530</u>	<u>\$ 166,173</u>	<u>\$ 183,551</u>	<u>\$ 197,136</u>	<u>\$ 524,795</u>
GAAP research and development operating expenses	\$ 78,180	\$ 90,455	\$ 97,630	\$ 105,018	\$ 123,399	\$ 137,864	\$ 155,256	\$ 371,283
Stock based compensation expense	(17,801)	(25,808)	(27,333)	(31,085)	(34,036)	(40,043)	(46,268)	(102,027)
Non-GAAP research and development operating expenses	<u>\$ 60,379</u>	<u>\$ 64,647</u>	<u>\$ 70,297</u>	<u>\$ 73,933</u>	<u>\$ 89,363</u>	<u>\$ 97,821</u>	<u>\$ 108,988</u>	<u>\$ 269,256</u>
GAAP general and administrative operating expenses	\$ 42,374	\$ 50,345	\$ 56,061	\$ 74,312	\$ 67,954	\$ 80,263	\$ 84,148	\$ 223,092
Stock based compensation expense	(12,834)	(17,531)	(25,319)	(30,513)	(32,169)	(40,167)	(39,749)	(86,197)
Acquisition-related expenses	(4,345)	(596)	(971)	(457)	(301)	—	(1,886)	(6,369)
Amortization of acquired intangible assets	—	—	(13)	(14)	(14)	(29)	(22)	(27)
Legal reserve and settlement charges	—	(2,500)	—	(7,000)	—	—	—	(9,500)
Non-GAAP general and administrative operating expenses	<u>\$ 25,195</u>	<u>\$ 29,718</u>	<u>\$ 29,758</u>	<u>\$ 36,328</u>	<u>\$ 35,470</u>	<u>\$ 40,067</u>	<u>\$ 42,491</u>	<u>\$ 120,999</u>
GAAP loss from operations	\$ (31,347)	\$ (47,403)	\$ (40,264)	\$ (23,534)	\$ (23,883)	\$ (48,307)	\$ (56,422)	\$ (142,548)
Stock based compensation expense	54,362	76,287	86,666	92,637	102,494	131,550	140,113	309,952
Amortization of acquired intangible assets	2,417	3,318	3,337	3,830	4,088	4,104	4,147	12,902
Acquisition-related expenses	4,345	596	971	457	301	—	1,886	6,369
Legal reserve and settlement charges	—	2,500	—	7,000	—	—	—	9,500
Non-GAAP income from operations	<u>\$ 29,777</u>	<u>\$ 35,298</u>	<u>\$ 50,710</u>	<u>\$ 80,390</u>	<u>\$ 83,000</u>	<u>\$ 87,347</u>	<u>\$ 89,724</u>	<u>\$ 196,175</u>

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

	<u>Q1 FY22</u>	<u>Q2 FY22</u>	<u>Q3 FY22</u>	<u>Q4 FY22</u>	<u>Q1 FY23</u>	<u>Q2 FY23</u>	<u>Q3 FY23</u>	<u>FY22</u>
GAAP net loss attributable to CrowdStrike	\$ (85,049)	\$ (57,318)	\$ (50,455)	\$ (41,980)	\$ (31,523)	\$ (49,285)	\$ (54,956)	\$ (234,802)
Stock based compensation expense	54,362	76,287	86,666	92,637	102,494	131,550	140,113	309,952
Amortization of acquired intangible assets	2,417	3,318	3,337	3,830	4,088	4,104	4,147	12,902
Acquisition-related expenses	4,345	596	971	457	301	—	1,886	6,369
Amortization of debt issuance costs and discount	547	546	546	548	546	547	546	2,187
Legal reserve and settlement charges or benefits	—	2,500	—	7,000	—	—	—	9,500
Provision for income taxes ⁽¹⁾	48,824	—	—	8,412	—	—	4,658	57,236
Gains and other income from strategic investments attributable to CrowdStrike	(2,178)	—	(5)	(505)	(1,114)	(972)	(325)	(2,688)
Non-GAAP net income attributable to CrowdStrike	<u>\$ 23,268</u>	<u>\$ 25,929</u>	<u>\$ 41,060</u>	<u>\$ 70,399</u>	<u>\$ 74,792</u>	<u>\$ 85,944</u>	<u>\$ 96,069</u>	<u>\$ 160,656</u>
Weighted-average shares used in computing basic net loss per share attributable to CrowdStrike common stockholders (GAAP)	<u>224,153</u>	<u>226,362</u>	<u>228,293</u>	<u>229,662</u>	<u>231,179</u>	<u>232,554</u>	<u>233,785</u>	<u>227,142</u>
GAAP basic net loss per share attributable to CrowdStrike common stockholders	<u>\$ (0.38)</u>	<u>\$ (0.25)</u>	<u>\$ (0.22)</u>	<u>\$ (0.18)</u>	<u>\$ (0.14)</u>	<u>\$ (0.21)</u>	<u>\$ (0.24)</u>	<u>\$ (1.03)</u>
GAAP diluted net loss per share attributable to CrowdStrike common stockholders	<u>\$ (0.38)</u>	<u>\$ (0.25)</u>	<u>\$ (0.22)</u>	<u>\$ (0.18)</u>	<u>\$ (0.14)</u>	<u>\$ (0.21)</u>	<u>\$ (0.24)</u>	<u>\$ (1.03)</u>
Stock-based compensation	0.23	0.32	0.36	0.39	0.43	0.55	0.59	1.30
Amortization of acquired intangible assets	0.01	0.01	0.01	0.02	0.02	0.02	0.02	0.05
Acquisition-related expenses	0.02	—	—	—	—	—	0.01	0.03
Amortization of debt issuance costs and discount	—	—	—	—	—	—	—	0.01
Legal reserve and settlement charges or benefits	—	0.01	—	0.03	—	—	—	0.04
Provision for income taxes ⁽¹⁾	0.21	—	—	0.04	—	—	0.02	0.24
Adjustment to fully diluted earnings per share ⁽²⁾	0.02	0.02	0.02	—	—	—	—	0.04
Gains and other income from strategic investments attributable to CrowdStrike	(0.01)	—	—	—	—	—	—	(0.01)
Non-GAAP diluted net income per share attributable to CrowdStrike common stockholders	<u>\$ 0.10</u>	<u>\$ 0.11</u>	<u>\$ 0.17</u>	<u>\$ 0.30</u>	<u>\$ 0.31</u>	<u>\$ 0.36</u>	<u>\$ 0.40</u>	<u>\$ 0.67</u>
Weighted-average shares used in diluted net income (loss) per share attributable to CrowdStrike common stockholders calculation:								
GAAP	224,153	226,362	228,293	229,662	231,179	232,554	233,785	227,142
Non-GAAP	237,363	238,043	238,563	238,486	238,654	238,727	239,502	238,123

(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, 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 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 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 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 per share attributable to CrowdStrike common stockholders.

CROWDSTRIKE HOLDINGS, INC.

Additional Metrics

(In thousands, except percentages and customer count)
(unaudited)

	<u>Q1 FY22</u>	<u>Q2 FY22</u>	<u>Q3 FY22</u>	<u>Q4 FY22</u>	<u>Q1 FY23</u>	<u>Q2 FY23</u>	<u>Q3 FY23</u>	<u>FY22</u>
Annual recurring revenue	\$ 1,193,889	\$ 1,344,451	\$ 1,514,453	\$ 1,731,342	\$ 1,921,831	\$ 2,139,906	\$ 2,338,028	\$ 1,731,342
Year-over-year growth	74%	70%	67%	65%	61%	59%	54%	65%
Deferred revenue	\$ 1,021,991	\$ 1,164,357	\$ 1,288,196	\$ 1,529,321	\$ 1,692,597	\$ 1,844,152	\$ 2,015,539	\$ 1,529,321
Backlog	449,682	512,848	654,749	735,755	662,099	661,679	782,220	735,755
Remaining performance obligations	<u>\$ 1,471,673</u>	<u>\$ 1,677,205</u>	<u>\$ 1,942,945</u>	<u>\$ 2,265,076</u>	<u>\$ 2,354,696</u>	<u>\$ 2,505,831</u>	<u>\$ 2,797,759</u>	<u>\$ 2,265,076</u>
Subscription customer count	11,420	13,080	14,687	16,325	17,945	19,686	21,146	16,325
Year-over-year growth	82%	81%	75%	65%	57%	51%	44%	65%
Free cash flow reconciliation:								
GAAP net cash provided by operating activities	\$ 147,533	\$ 108,475	\$ 159,058	\$ 159,718	\$ 214,957	\$ 209,906	\$ 242,851	\$ 574,784
Purchases of property and equipment	(25,796)	(29,997)	(29,627)	(26,723)	(52,211)	(66,128)	(61,270)	(112,143)
Capitalized internal-use software and website development	(4,434)	(4,839)	(5,928)	(5,665)	(5,214)	(8,021)	(7,504)	(20,866)
Free cash flow	<u>\$ 117,303</u>	<u>\$ 73,639</u>	<u>\$ 123,503</u>	<u>\$ 127,330</u>	<u>\$ 157,532</u>	<u>\$ 135,757</u>	<u>\$ 174,077</u>	<u>\$ 441,775</u>
Revenue by geographic regions:								
United States	\$ 219,802	\$ 244,668	\$ 276,698	\$ 305,306	\$ 345,593	\$ 374,258	\$ 403,302	\$ 1,046,474
Europe, Middle East, and Africa	41,649	46,550	50,721	61,278	70,625	77,096	85,665	200,198
Asia Pacific	29,000	32,998	37,265	43,423	48,079	54,623	60,011	142,686
Other	12,392	13,474	15,367	21,003	23,537	29,176	31,904	62,236
Total revenue	<u>\$ 302,843</u>	<u>\$ 337,690</u>	<u>\$ 380,051</u>	<u>\$ 431,010</u>	<u>\$ 487,834</u>	<u>\$ 535,153</u>	<u>\$ 580,882</u>	<u>\$ 1,451,594</u>
Geographic breakdown of total revenue:								
United States	73%	72%	73%	71%	71%	70%	69%	72%
Europe, Middle East, and Africa	14%	14%	13%	14%	14%	14%	15%	14%
Asia Pacific	10%	10%	10%	10%	10%	10%	10%	10%
Other	3%	4%	4%	5%	5%	6%	6%	4%
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	77%	76%	76%	77%	77%	76%	75%	77%
Non-GAAP subscription gross margin	79%	78%	79%	79%	79%	78%	78%	79%
Non-GAAP operating expenses	\$ 202,869	\$ 222,414	\$ 238,976	\$ 250,791	\$ 291,006	\$ 321,439	\$ 348,615	\$ 915,050
Non-GAAP operating expenses as a percentage of revenue	67%	66%	63%	58%	60%	60%	60%	63%
Non-GAAP operating margin	10%	10%	13%	19%	17%	16%	15%	14%