Safe Harbor

Forward-Looking Statements

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In some cases, you can identify forward-looking statements by terms such as “anticipate,” “believe,” “continues,” “contemplate,” “could,” “estimate,” “expect,” “explore,” “intend,” “likely,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or the negative of these terms or other similar words. Zscaler based these forward-looking statements largely on its current expectations and projections about future events that it believes may affect its business. Actual outcomes and results may differ materially from those contemplated by these forward-looking statements. All forward-looking statements in this message 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.
Zscaler Highlights: Transformative SaaS Enabling the Digital Transition

Pioneer and leader in Cloud Security
>5,000 customers (1) | 500 of the Forbes Global 2000 (1) | ~50% international revenue (2)

Architecture Matters!
Cloud-Native, Multi-Tenant From Start

Cloud platform with scale, sustainable competitive differentiation
200+ patents issued and pending,
150+ data centers | 150B+ requests/day
Preventing 7B incident & policy violations/day (4)

Serving a large addressable market
Estimated $72 Billion in Market SAM (3)

Comprehensive User Protection → Protecting App & Data

Secular tailwinds creating significant opportunity
cloud shift, mobility, IoT, rising threats, legacy consolidation and simplification

Secure digital transformation is accelerating. Top of mind in C-Suite.

Attractive profile:
recurring subscription, rapid growth, compelling GM
~$536M LTM revenue (5) | ~50% historical growth per year (6)
~80% Gross Profit Margin (7)

Experienced, founder-led team
with the conviction to build a lasting company that redefines network security

Delivering world-class sales execution, which we believe will drive sustainable long-term growth

2) International revenue by geography as of FY20.
4) Based on January 2021 data.
5) Last Twelve Months (LTM)* revenue ended January 31, 2021.
6) Revenue Compound Annual Growth Rate (“CAGR”) for FY18, FY19 and FY20.
7) Gross profit margin for FY20.
Driving Transition from Legacy On Prem to Cloud / Mobile Standard

NETWORK SECURITY
Perimeter defenses

Castle-and-Moat Security
Hub-and-Spoke Network

ZERO TRUST EXCHANGE
Any-to-any connectivity

Corporate network
Public Internet

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SECURING YOUR DIGITAL TRANSFORMATION
Traditional IT: Worked Well When Apps Resided in the Data Center, and Employees Showed Up to the Office

Hub & Spoke Networks
Optimized to connect users to apps in the data center

Castle & Moat Security
Perimeter security appliances to protect the network

Corporate network
Public Internet
Cloud Breaks Legacy Networks and Security

The cloud is the new data center

Backhaul traffic
Branch: MPLS / Mobile: VPN

Natural path
Direct-to-Cloud

But, security is still sitting in the DC

Poor user experience
MPLS backhaul costs
Security risk
Zscaler: Powering Digital Transformation

Market Leader
500 of the Forbes Global 2000 (1)

Industry Leader
10 years in a row Gartner MQ Leader

Global Scale
150B+ Daily transactions
150 data centers
10x Google searches

Operational Excellence
10+ years running an inline security cloud

80% Faster User Experience
35x Fewer Infected Machines
70% Infrastructure Cost Reduction

Operational Excellence

Global Footprint Delivers Better Security & User Experience

150 Data Centers
150B+ Transactions / Day
7B+ Enforcements / Day
200K+ Security Updates / Day

Availability SLA 99.999%
75% Renewable Energy
Proven Elasticity & Scale

*Map shows major cities where Zscaler has data center. This map does not show a comprehensive list of Zscaler’s total global footprint of over 150 data center locations.
Market Leadership
Recognized Leader in Security

Industry Leader
10 years in a row Gartner MQ Leader in Secure Web Gateway
SWG solutions include CASB, zero trust network access, FWaaS and remote browser isolation

The Only Leader
Have you seen a vendor map like this? Zscaler is now the only leader in Gartner’s MQ

SWG requires Proxy architecture
Firewall vendors were not considered due to lack of proxy architecture: Firewalls are designed to build a moat around the castle, wrong architecture for securing users
Zscaler Innovation: Zero Trust Exchange Platform

1. **Zscaler Internet Access**
   - Secure Internet and SaaS access
   - User to Internet

2. **Zscaler Private Access**
   - Secure Private App Access
   - User to Private App

3. **Zscaler Digital Experience**
   - User Experience
   - User to App Experience

4. **Zscaler Cloud Protection**
   - Secure Apps and Workloads
   - App to App

**Workload and Server Protection**

**User Protection and Experience**

Simplify IT and reduce costs by consolidating and eliminating point products.
# Innovation Engine and Extensible Platform

## Comprehensive Platform to Deliver Zero-Trust Security

### Zscaler Internet Access (ZIA)
Protect against threats and data leakage

<table>
<thead>
<tr>
<th>Threat Prevention</th>
<th>Access Control</th>
<th>Data Protection</th>
<th>Zero-Trust Network Access</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proxy (Native SSL) Advanced Threat Protection Cloud Sandbox DNS Security</td>
<td>Cloud Firewall URL Filtering Bandwidth Control DNS Resolution</td>
<td>Cloud DLP Exact Data Match CASB Browser Isolation</td>
<td>Anti-VPN Anti-Firewall Anti-DDoS Anti-network segmentation</td>
</tr>
</tbody>
</table>

### Zscaler Private Access (ZPA)
Protect apps/data; only allow authorized access

<table>
<thead>
<tr>
<th>Discovery/Availability</th>
<th>App / Device Access</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSLB</td>
<td>Browser Isolation</td>
</tr>
<tr>
<td>App Health Monitoring</td>
<td>Private Service Edge</td>
</tr>
<tr>
<td>App Discovery</td>
<td></td>
</tr>
</tbody>
</table>

### Zscaler Cloud Protection (ZCP)
Extends zero-trust security to public cloud

<table>
<thead>
<tr>
<th>Workload Communication</th>
<th>Security Posture/CSPM</th>
<th>Microsegmentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud to Internet</td>
<td>Policy Compliance</td>
<td>Software Identity</td>
</tr>
<tr>
<td>Cloud to Data Center</td>
<td>Configuration Mgt</td>
<td>App segmentation</td>
</tr>
<tr>
<td>Cloud to Cloud</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Zscaler Digital Experience (ZDX)
Identify and resolve device and network issues

<table>
<thead>
<tr>
<th>App Performance</th>
<th>Device Posture</th>
<th>Network Path Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>App Response Times</td>
<td>Device Health Metrics</td>
<td>Hop-by-hop Network Analytics</td>
</tr>
</tbody>
</table>

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ZCP: Automating, simplifying and securing workload communications

Simplified, flexible traffic forwarding within and across clouds via **Cloud Connector**

**ZIA and ZPA policy engines** enforce easy to manage business level policies

ZIA enforces policy, security and data protection for workload to internet comms

ZPA delivers zero trust for secure:
  - user-cloud
  - cloud-cloud
  - cloud-DC
  - 3rd party file exchange access

1. Secure user to cloud access (ZPA)
2. Secure cloud to data center communications (ZPA)
3. Secure cloud to cloud communications (ZPA)
4. Secure cloud to internet communications (ZIA)
Ecosystem blueprint for secure digital transformation

Select a best-of-breed platform over best-of-breed point products
Enabling Digital Transformation Requires a Unique Sales Process

Driving Value Through Lifecycle Engagement With Customers

- Customer Focus: NPS 76 vs. 30 SaaS Average
- Top-of-the-funnel initiatives (CXO Events)
- Executive Briefings (Roadmap & Architecture Workshops)
- Quarterly Business Reviews (Customer Success Managers)
- Deployment Success (Services Engagement)
- Lead Gen (SI/SP/VARs)
- Identify pain points (Transformation Team - ex CXOs)
- Architectural Demonstration (Solution Architects)
- ROI Demonstration (Business Value Analysts)

Quarterly Business Reviews (Customer Success Managers)
Scaling with Majors & Large Enterprises, While Expanding To Smaller Enterprises

Targeted account-based sale with focus on enterprises

Winning with Majors & Large Enterprises

Expanding To Enterprise Segment

New Investment:
- Specific marketing program dollars towards <6k employee companies.
- Specific Strategy & Enablement programs/playbooks for this segment

Attractive Market Segment:
- Expands TAM significantly
- Shorter sales cycle
- Leverage: Channel plays a bigger role in the segment

Exploring Opportunities in Commercial:

via Distribution/MSP models, which are zero to low touch
- Partners asking for our help to service this market

Total Addressable Market (TAM) for Majors, Large enterprise, Enterprise and Commercial segments are based on data from ZoomInfo for total Global Parent Companies and their Total Employees, rounded to nearest digit, as of December 23, 2020.
Our Audacious Goal: Securing the Next…

200M Users + 100M Workloads

Customers

New Customers
New relationships in existing verticals

Upsell
Increase penetration with existing customers

Platform

Technology Innovation
New platform solutions to secure any connectivity: Users, Devices & Workloads

Expanded Functionality
Drive leadership in the space and improve core offering

New Markets

New Geographies
Growing presence in Japan and LatAm

New Segments
Expand to smaller enterprises and Federal vertical
Secular Tailwinds Fueling Progress Towards Our Audacious Goal

- **5G**: Enabling safe edge computing
- **IoT/OT**: Bring zero-trust to IoT/OT
- **IaaS/ Public Cloud (Azure / AWS)**: Secure cloud workload, app-to-app communication
- **Work from Anywhere**: Fast and secure access to applications
- **Direct-to-Cloud Network Transformation**: Secures local breakouts that SD-WAN provides
- **Internet / SaaS Office 365**: Secure & fast access
Customer Phased Journey to Zero-Trust

**Phase 1**
Empower & secure workforce

- ZIA, ZPA and ZDX
- Direct-to-Internet for Work-From-Anywhere
- Network security → user and data protection
- Accelerating M&A Integration

**Phase 2**
Protect data in the cloud

- ZCP
- Accelerating Cloud Migration
- Direct Access to Multi-Clouds
- Eliminating Attack-Surface

**Phase 3**
Enable supply chain

- Secure supplier and B2B customers’ access
- ZPA and ZB2B
- B2B Digital Services Exchange
- Secure third-party access to private applications

**Phase 4**
Secure IOT and OT

- ZCP and future products
- Machine-to-Machine use case
- Edge Computing/5G
- Standardize security architecture across the company

Why We Will Win

• Market moving to Zero-Trust with Digital Transformation
• Trusted partner to CXOs of largest global organizations
• Strategic position - handling & securing enterprise-wide traffic
• Multi-tenant cloud scalability and Cloud effect
• GTM that can consistently sell value and drive larger deals
• Experienced team driving culture of excellence
• Strong balance sheet and attractive unit economics

Well Positioned for Success!
Financial Overview

Remo Canessa - Chief Financial Officer
Leading the World of Zero Trust Cloud Security

<table>
<thead>
<tr>
<th>Driving customer value...</th>
<th>at an unparalleled scale(^{(1)}) ...</th>
<th>while delivering growth(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>&gt;5,000</strong> Customers (^{(2)})</td>
<td><strong>&gt;150</strong> Data centers globally</td>
<td><strong>71%</strong> Billings growth YoY</td>
</tr>
<tr>
<td><strong>&gt;500</strong> G2K customers (^{(2)})</td>
<td><strong>150B</strong> Transactions per day (&gt;10x) Google</td>
<td><strong>55%</strong> Revenue growth YoY</td>
</tr>
<tr>
<td><strong>&gt;20 million</strong> Licensed seats (^{(3)})</td>
<td><strong>7 Billion</strong> Security incidents &amp; policy violations prevented per day</td>
<td><strong>127%</strong> Dollar-based NRR</td>
</tr>
<tr>
<td><strong>76 NPS</strong> vs. 30 SaaS Company avg (^{(3)})</td>
<td><strong>2.7</strong> Support tickets per billion transactions</td>
<td><strong>9%</strong> Operating margin</td>
</tr>
</tbody>
</table>

1) Total number of public data centers, transactions per day, policy and incident prevention per day and support ticket per billion transactions as of December 2020.
3) Licensed user seats and Net Promoter Score as of FY’20 ending.
Consistent and Strong Revenue Growth
($ in millions)

<table>
<thead>
<tr>
<th>Annual Revenue / YoY Growth</th>
<th>Quarterly Revenue / YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17 $126</td>
<td>Q3'19 $79</td>
</tr>
<tr>
<td>FY18 $190</td>
<td>Q4'19 $86</td>
</tr>
<tr>
<td>FY19 $303</td>
<td>Q1'20 $94</td>
</tr>
<tr>
<td>FY20 $431</td>
<td>Q2'20 $101</td>
</tr>
</tbody>
</table>

Note: Fiscal year ended July 31.
Strong YoY Growth in Calculated Billings

($ in millions)

### Annual Billings / Growth

- FY17: $156
- FY18: $258
- FY19: $390
- FY20: $550

- 65%
- 51%
- 41%

### Quarterly Billings / YoY Growth

- Q3'19: $85
- Q4'19: $126
- Q1'20: $88
- Q2'20: $135
- Q3'20: $131
- Q4'20: $195
- Q1'21: $145
- Q2'21: $232

- 55%
- 32%
- 37%
- 18%*
- 55%
- 55%
- 64%
- 71%

Note: Fiscal year ended July 31.

* Comparative prior year fiscal quarter (Q2 FY19) includes one large customer choosing to pay up-front for a multi-year, private cloud subscription of $11.0 million.
Annual Pricing Model Provides Significant Expansion Opportunities

Transformation Bundle: ~3x
Business Bundle: ~1.5x
Pro Bundle: 1x

User Protection

ZIA(2)
ZIA Add-ons(3)
ZPA
ZDX

$45
+$30
+$45
+$25

$145
per user(1)

Workload Protection

CSPM
Workload Segmentation
Workload Communication

$40
+$60
+$55

$155
per workload(4)

1) Per user pricing for individual products is effective annual prices to Zscaler for customers of 5,000 seats (also referred to as ARPU, or average revenue per user), except for new products including API CASB, Browser Isolation and ZDX, where we calculate ARPU based on closed deals with high volume purchases.
2) ZIA Professional Bundle includes Secure Web Gateway. Business Bundle includes all Professional Bundle functionality, plus SSL inspection, Advanced Threat Protection, inline Cloud Application Control, Bandwidth Control, and more. Transformation Bundle includes all Business Bundle functionality, plus Cloud Sandbox and Cloud Firewall.
3) ZIA Add-ons include Data Loss Prevention, Exact Data Match, API CASB and Browser Isolation.
4) Per workload pricing applies to Zscaler Cloud Protection (ZCP) products, including CSPM, Workload Segmentation and Workload Communication. As ZCP products have been available for a short period of time, pricing per workload is effective annual prices to Zscaler in closed deals with high volume purchases, as well as Zscaler’s estimate for current deals in progress.
Serviceable Users of 335M and Serviceable Workloads of 150M

Users

>600M Potential B2B Users\(^{(2)}\)
(3rd party vendors and customers of customers)

267M Incremental Users\(^{(1)}\)
(Commercial <2k employees)

335M Serviceable Users\(^{(1)}\)
(current target market of ~20k organizations with 2k+ employees)

Workloads & OT/IOt Devices

Billions of OT/IoT

338M Incremental Workloads\(^{(3)}\)

150M Serviceable Workloads\(^{(3)}\)
(current target of workloads at top public clouds)

---

1) Based on Zscaler’s analysis of worldwide organization and employee data from ZoomInfo.
2) Zscaler’s estimate of potential B2B Users is based on assuming a similar number of users as total worldwide workforce. We consider B2B users to include third-party vendors and customers of our customer.
3) Based on Zscaler’s analysis of workload market forecast for 2020 from 650 Research.
Our $72 billion core serviceable opportunity, comprised of:

- $49 billion user SAM focused on enterprises with 2k+ employees
- $23 billion workload SAM for workloads in top public clouds

1) User SAM is based on Zscaler’s analysis of ZoomInfo worldwide workforce data for organizations with 2k+ employees, multiplied by Zscaler’s aggregate average revenue per user (ARPU) of approximately $45 for ZIA Transformation bundle, $30 for ZIA add-ons, $45 for ZPA and $25 for ZDX from customers purchasing 5,000 seats.

2) Workload SAM is based on Zscaler’s analysis of 650 Research’s workload market forecast for 2020, multiplied by Zscaler’s aggregate average revenue per workload of approximately $40 for CSPM, $60 for Workload segmentation and $55 for Workload Communication solutions in the ZCP family.

3) Additional future opportunity available in securing the worldwide workforce of commercial businesses with <2k employees, users of B2B third parties and customers of customers, Incremental workloads in hybrid/private cloud and other environments, and number of connected OT/IOT devices.
>6x

Upsell Opportunity on ZIA and ZPA alone with existing customers*

Adjusted Current ARR*, as of 10/31/20

Incremental ARR from all employees adopting ZIA

Incremental ARR from all employees upgrading to the Transformation Bundle

Incremental ARR from all employees purchasing Data Protection

Incremental ARR from all employees adopting ZPA Business Suite

Potential ARR with existing customers

*Upsell opportunity analysis based on Annual Recurring Revenue (ARR) of customers with 100 ZIA seats or more, as of Q1’21 ending October 31, 2020; this process eliminates paid trials and other smaller deployments, which if included would increase upsell potential further. Our analysis also excludes OEM agreements and end customers with deals primarily based on traffic/usage. Including all adjustments as noted, Adjusted ARR represents over 95% of Total ARR.

We calculate total Upsell Opportunity as total incremental ARR from selling additional seats to cover total employees and additional ZIA and ZPA product functionality at their existing subscription prices, and then applying an incremental discount of 35% on the upsell. Our analysis excludes newly introduced products, including ZB2B, API CASB, Browser Isolation, ZDX and ZCP.

We determine incremental ARR by calculating the potential value of: 1) additional ZIA seat subscriptions for customers that have purchased ZIA for none or for a subset of total employees, assuming purchase of equivalent product functionality/bundles as existing ZIA subscription, or ZIA Transformation Bundle where no prior ZIA subscription was purchased, for remaining employees, 2) additional product functionality in high-end Transformation Bundle, where customers purchased Professional or Business Bundles, 3) add on subscriptions for Data Protection products, including DLP and Exact Data Match, and 4) additional ZPA seat subscription for customers that have purchased ZPA for none or for a subset of total employees, assuming purchase of equivalent product functionality/bundles as existing ZPA subscription, or ZPA Business Suite where no prior ZPA subscription was purchased, for remaining employees.

Total employee count for existing customers is Zscaler internal data based on various sources including customer-supplied information, public filings with SEC, Hoover’s, Dun & Bradstreet, Discover.org and ZoomInfo.
Significant International Revenue

Historically, approximately 50% of our revenue has come from outside Americas

Early big wins in Europe
Continued investment after early success with G2000 customers including Siemens and Schneider Electric

Early investment in international sales
Replicated size of U.S. sales team internationally

Global SP partners
Focused on partnering with global service providers including BT, OBS, others to efficiently expand our reach

Revenue by geography
- Europe, Middle East and Africa: 38%
- Americas: 51%
- Asia Pacific: 11%

Based on Q2’21 revenue
Attractive Cloud Gross Margins

Purpose-built, multi-tenant architecture
Each subsystem optimized for high throughput, reducing the number of servers needed

Cloud operations
Highly automated, which requires lower head count to operate the cloud

Peering with content and service providers at internet exchanges
Reduces bandwidth cost

Non-GAAP gross margin

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>78%</td>
<td>80%</td>
<td>81%</td>
<td>80%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Financials presented are non-GAAP; refer to the non-GAAP to GAAP reconciliation in Appendix.

1) Non-GAAP gross margin is defined as GAAP gross margin, excluding stock-based compensation expense and related payroll taxes and amortization expense of acquired intangible assets.
Investing for Growth to Capture Large Opportunity

Non-GAAP expenses (1) as % of revenue

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>61%</td>
<td>59%</td>
<td>46%</td>
<td>48%</td>
</tr>
<tr>
<td>22%</td>
<td>19%</td>
<td>15%</td>
<td>15%</td>
<td>8%</td>
</tr>
<tr>
<td>11%</td>
<td>11%</td>
<td>9%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>115%</td>
<td>108%</td>
<td>89%</td>
<td>91%</td>
<td></td>
</tr>
</tbody>
</table>

Key factors

- Scale of our multi-tenant cloud benefits COGS
- Accelerated investments for long-term leverage
- Global centers in Silicon Valley & India
- Significant presence in India
- Building sales team to drive growth and penetration
- Ramping marketing efforts to build brand and create demand
- Investing in R&D to enhance functionality

1) Non-GAAP expenses exclude stock-based compensation expenses and related payroll taxes, amortization expense of acquired intangible assets, asset impairment related to facility exits, amortization of debt discount and issuance costs, and certain litigation-related expenses. Refer to the GAAP to non-GAAP reconciliation in Appendix A.
Appendix
Explanation of Non-GAAP Financial Measures

In addition to our results determined in accordance with generally accepted accounting principles in the United States of America ("GAAP"), we believe that the presentation of non-GAAP financial information provides important supplemental information to management and investors regarding financial and business trends relating to our financial condition and results of operations. However, non-GAAP financial information is presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. Investors are cautioned that there are a number of limitations associated with the use of non-GAAP financial measures and key metrics as analytical tools. Investors are encouraged to review these reconciliations, and not to rely on any single financial measure to evaluate our business.

**Expenses Excluded from Non-GAAP Measures**

Stock-based compensation expense is excluded primarily because they are non-cash expenses that management believes are not reflective of our ongoing operational performance. Effective August 1, 2020, the beginning of our fiscal year ending July 31, 2021, we have presented employer payroll taxes related to employee equity award transactions, which is a cash expense, as part of stock-based compensation expense in our non-GAAP results. These payroll taxes have been excluded from our non-GAAP results as these are tied to the timing and size of the exercise or vesting of the underlying equity awards and the price of our common stock at the time of vesting or exercise, which may vary from period to period independent of the operating performance of our business. Prior period amounts have been recasted to conform to this presentation. Amortization expense of acquired intangible assets is excluded because these are considered by management to be outside of our core business operating performance. Asset impairments related to facility exit costs are excluded because such charges are not reflective of our ongoing operational performance. Amortization of debt discount and issuance costs from the convertible senior notes is excluded because they are non-cash expenses and are not reflective of our ongoing operational performance. We also exclude certain litigation-related expenses consisting of professional fees and related costs incurred by us in defending against significant claims that we deem not to be in the ordinary course of our business and, if applicable, actual losses and accruals related to estimated losses in connection with these claims. There are many uncertainties and potential outcomes associated with any litigation, including the expense of litigation, timing of such expenses, court rulings, unforeseen developments, complications and delays, each of which may affect our results of operations from period to period, as well as the unknown magnitude of the potential loss relating to any lawsuit, all of which are inherently subject to change, difficult to predict and could adversely affect our results of operations. We estimate the tax effect of these items on our non-GAAP results and may adjust our GAAP provision for income taxes, if such effects have a material impact to our non-GAAP results.

**Key Non-GAAP Financial Measures Included within this Presentation:**

- Non-GAAP Gross Profit and Non-GAAP Gross Margin (*)
- Non-GAAP Income from Operations and Non-GAAP Operating Margin (*)
- Free Cash Flow and Free Cash Flow Margin (*)

(*) Non-GAAP to GAAP reconciliations shown on the following slides.
## Appendix A: Non-GAAP to GAAP reconciliation

($ in thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY'20</th>
<th>YTD FY'21</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-GAAP</td>
<td>GAAP</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$431,269</td>
<td>$431,269</td>
</tr>
<tr>
<td>FY'20 YOY Growth</td>
<td>42%</td>
<td>42%</td>
</tr>
<tr>
<td><strong>Cost of revenue</strong></td>
<td>85,852</td>
<td>7,851</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>345,417</td>
<td>(2,030)</td>
</tr>
<tr>
<td>FY'20 Gross Margin</td>
<td>80%</td>
<td>78%</td>
</tr>
<tr>
<td>FY'20 % of revenue</td>
<td>206,439</td>
<td>71,468</td>
</tr>
<tr>
<td>FY'20 Research and</td>
<td>64,662</td>
<td>1,280</td>
</tr>
<tr>
<td>deformation % of</td>
<td>97,879</td>
<td>23%</td>
</tr>
<tr>
<td>FY'20 General and</td>
<td>36,150</td>
<td>18,356</td>
</tr>
<tr>
<td>administrative % of</td>
<td>17%</td>
<td>74</td>
</tr>
<tr>
<td>FY'20 Total operating</td>
<td>307,251</td>
<td>1,354</td>
</tr>
<tr>
<td>expenses % of revenue</td>
<td>71%</td>
<td>1,356</td>
</tr>
<tr>
<td>FY'20 Income (loss)</td>
<td>38,166</td>
<td>(3,384)</td>
</tr>
<tr>
<td>from operations</td>
<td>(129,636)</td>
<td>(18,356)</td>
</tr>
<tr>
<td>Operating margin</td>
<td>9%</td>
<td>(26%)</td>
</tr>
<tr>
<td>Interest income</td>
<td>6,477</td>
<td>1.695</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(140)</td>
<td>(4,885)</td>
</tr>
<tr>
<td>Other income (expense), net provision for income taxes</td>
<td>(224)</td>
<td>(224)</td>
</tr>
<tr>
<td>FY'20 Net income (loss)</td>
<td>(3,498)</td>
<td>(1,110)</td>
</tr>
<tr>
<td>FY'20 Provision for income taxes</td>
<td>3,498</td>
<td>(2,388)</td>
</tr>
<tr>
<td>FY'20 Net income (loss)</td>
<td>40,781</td>
<td>$ (129,636)</td>
</tr>
<tr>
<td>FY'20 Provision for income taxes</td>
<td>3,498</td>
<td>(2,388)</td>
</tr>
</tbody>
</table>
## Appendix A: Non-GAAP to GAAP reconciliation ($ in thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY'20</th>
<th>YTD FY'21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free cash flow</td>
<td>$27,508</td>
<td>$60,261</td>
</tr>
<tr>
<td>Revenue</td>
<td>431,269</td>
<td>299,622</td>
</tr>
<tr>
<td>Free cash flow margin</td>
<td>6%</td>
<td>20%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY'20</th>
<th>YTD FY'21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by operating activities</td>
<td>$79,317</td>
<td>$83,936</td>
</tr>
<tr>
<td>Less: Purchases of property, equipment and other assets</td>
<td>(43,072)</td>
<td>(19,403)</td>
</tr>
<tr>
<td>Less: Capitalized internal-use software</td>
<td>(8,737)</td>
<td>(4,272)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$27,508</td>
<td>$60,261</td>
</tr>
<tr>
<td>Net cash provided by operating activities, as a percentage of revenue</td>
<td>18%</td>
<td>28%</td>
</tr>
<tr>
<td>Less: Purchases of property, equipment and other assets, as a percentage of revenue</td>
<td>(10)%</td>
<td>(7)%</td>
</tr>
<tr>
<td>Less: Capitalized internal-use software, as a percentage of revenue</td>
<td>(2)%</td>
<td>(1)%</td>
</tr>
<tr>
<td>Free cash flow margin</td>
<td>6%</td>
<td>20%</td>
</tr>
</tbody>
</table>