

# Q1 FY2023

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We have based the forward-looking statements contained in this presentation primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, prospects, strategy, and financial needs. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, assumptions, and other factors, including, among other things, our success in selling our products, our financial results, our ability to protect our intellectual property rights and any costs associated therewith, the future trading prices of shares of our Class A common stock, our ability to compete effectively with existing competitors and new market entrants, the effects of any existing or future claims or litigation, our ability to comply with modified or new laws and regulations applying to our business, and our operations, and the other risks, uncertainties, and assumptions. These risks, uncertainties, assumptions, and other factors are described in greater detail under the heading "Risk Factors" in our most recently filed 10-K and Form 10-Q, as well as in other documents we file from time to time with the Securities and Exchange Commission (the "SEC"). These and other important factors may cause actual results, performance, or achievements to differ materially from those expressed or implied by these forward-looking statements. Moreover, we operate in a highly competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this presentation. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

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This presentation also contains estimates and information concerning our industry, including market position, market size, and growth rates of the markets in which we participate that are based on industry publications and reports. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk. We have not independently verified the accuracy or completeness of the data contained in these industry publications and reports.

This presentation includes certain financial measures that are not presented in accordance with generally accepted accounting principles in the United States ("GAAP"), such as, among other things, non-GAAP remaining performance obligations, non-GAAP gross profit, non-GAAP gross margin, non-GAAP cRPO, TTM non-GAAP Free Cash Flow ("FCF") margin, non-GAAP operating loss, non-GAAP net loss per share, non-GAAP R&D expenses, non-GAAP S&M expenses, non-GAAP G&A expenses, non-GAAP operating expenses and non-GAAP operating margin to supplement financial information presented in accordance with GAAP. We are presenting these non-GAAP financial measures because we believe that, when taken collectively, they may be helpful to investors because they provide consistency and comparability with past financial performance by excluding certain items that may not be indicative of our business, results of operations, or outlook. However, non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. Such measures are presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for our consolidated financial statements, and should not be construed as alternatives to financial measures determined in accordance with GAAP. A reconciliation of these measures to the most directly comparable GAAP measures is included in the Appendix to this presentation.

The non-GAAP measures as defined by us may not be comparable to similarly-titled non-GAAP measures presented by other companies, and such companies 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. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by other unusual or non-recurring items. With respect to our guidance, we are not able to provide a quantitative reconciliation of non-GAAP operating loss and non-GAAP EPS to the corresponding comparable GAAP financial measures without unreasonable efforts. We are unable to provide meaningful estimates of the non-recurring charges and credits excluded from these non-GAAP financial measures due to the forward-looking nature of these estimates and their inherent variability and uncertainty. For the same reasons, we are unable to provide the probable significance of the unavailable information, which may be significant.

# Enabling the Cloud Operating Model

A consistent way to provision, secure, connect and run any infrastructure for any application



# HashiCorp | Who are we?



## Cloud Infrastructure Automation

Our technology represents an industry standard for infrastructure automation workflows for teams.

Our products are emerging as a system of record for cloud infrastructure, security, and networking.

Our growth is a function of the spend for cloud programs across the Global 2000.

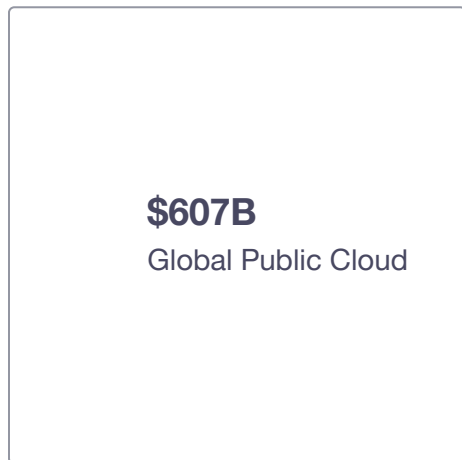


# Market Leader In Large TAMs, In Early Stages



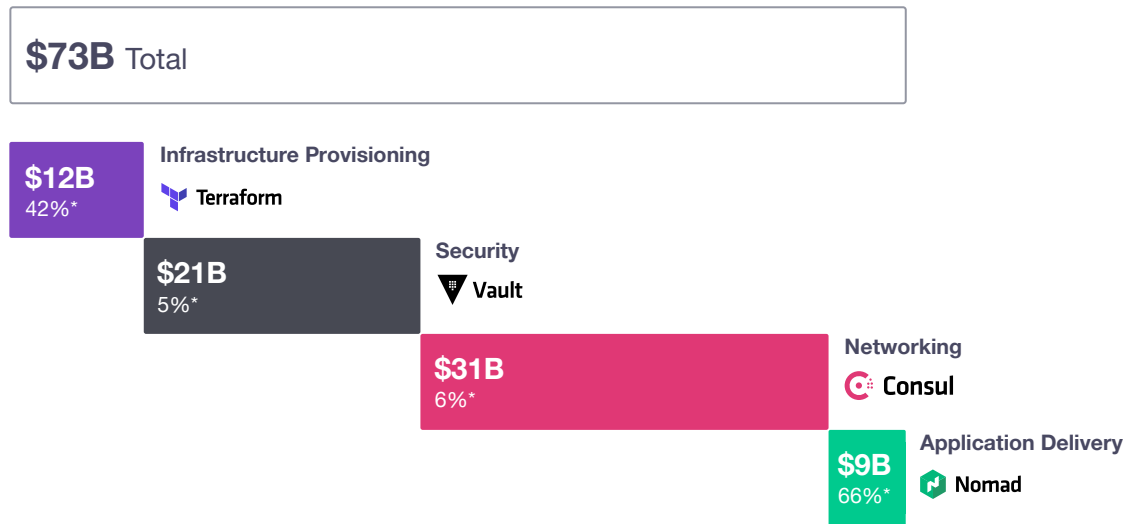
## Estimated Global Cloud TAM by 2026

2021-2026 CAGR 15%



## Estimate HashiCorp TAM by 2026

2021-2026 CAGR 12%



Source: 650 Group, June 2021 \*2021-2026 CAGR for products' TAM

# Key Takeaways



Capitalizing on a large market disruption



Opportunity powered by open source & ecosystem adoption flywheel



Durable growth in a vast & growing market



Proven track record of innovation across multiple products



HashiCorp Cloud Platform (HCP) is a long-term driver of the model



## Q1 FY23 Highlights

**\$ 100.9M**

*51% YoY Growth*

**Revenue Q1 FY23**



**3,240**

*vs. 1,736 in Q1 FY22*

**Total Customers**



**704**

*vs. 523 in Q1 FY22*

**>=\$100K ARR Customers**



**133%**

*vs. 122% in Q1 FY22*

**Trailing 4 Quarter Average  
Net Dollar Retention Rate**



**\$ 457.6M**

*49% YoY Growth*

*55% YoY cRPO Growth<sup>2</sup>*

**Total Non-GAAP RPOs<sup>1</sup>**



1. Remaining performance obligations, or RPOs, represent the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. GAAP RPOs exclude customer deposits, which are refundable prepaid amounts that are expected to be recognized as revenue in future periods. Non-GAAP RPO is calculated on a Non-GAAP basis. See appendix for reconciliation for Non-GAAP financial measures.

2. Current Remaining Performance Obligations, or cRPOs, represent the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in the next twelve months. GAAP cRPOs exclude customer deposits, which are refundable prepaid amounts that are expected to be recognized as revenue in the next twelve months. Non-GAAP cRPO is calculated on a Non-GAAP basis. See appendix for reconciliation for Non-GAAP financial measures.

# HashiCorp | Q1 FY2023 Highlights



**HashiCorp's vision of the Cloud Operating Model for the Global Enterprises is resonating:** Our Go-To-Market teams continued to execute well in Q1 FY2023 as they added a solid number of greater than or equal to \$100K ARR customers (ended at 704)



**Adopt/Land/Expand/Extend/Renew model is showing strong proof points:** We had our second customer reach \$10M+ ARR during the quarter, showing the success of our ALEER model within one of the world's largest global financial institutions. The customer currently licenses Terraform, Vault, and Consul, and continues to make ongoing investments in its multi-cloud journey with us.



**Multi-Product usage among our customer base is increasing:** As demonstrated in our customer stories and our second \$10M + ARR customer, multi-product usage continues to drive our business model. We are winning the position of trust with our customers, giving them confidence to use more of our offerings.



**HashiCorp Cloud Platform (HCP) continues to demonstrate solid adoption:** HCP revenue grew 255% YoY<sup>1</sup>, and during the first quarter we launched several key updates including HCP Vault Plus SKUs, HCP Packer, HCP Vault Multi Factor Authentication.

1. HCP growth rate excludes several legacy SKUs that are included in the fully reported Cloud-Hosted Services revenue line



# Q1 FY2023 In Review



We experienced continuing demand for our products during Q1 FY2023 as more organizations globally adopt the Cloud Operating Model, underpinned by our primary products Terraform, Vault, and Consul. We grew revenue 51% YoY, while maintaining strong non-GAAP cRPO Growth rates. We benefit from being a highly recurring business model, in Q1 FY2023 approximately 96% of our subscription revenue was recurring.

Our Go To Market efforts to capture share at the largest of enterprises experienced steady gains in the quarter as we added 49 customers with ARR greater than or equal to \$100K.

We were also encouraged by our trailing four quarter average Net Dollar Retention Rate, which increased to 133%. This number represents the continued value we deliver to our existing customers. Our business follows a pattern where customers begin a multi-year journey that often lands with one or two use cases, followed by expansion and extensions across our products.

Our focus on continued spend efficiency allowed us to achieve better Non-GAAP Operating Income than expected, while continuing to invest in the long-term growth of our business. We are maintaining solid scores across core talent acquisition metrics and are in a strong position to deliver on our plan to acquire and retain great talent. We ended the quarter with 2,025 employees.

1. Trailing Twelve Months, or TTM, represents data from the past 12 consecutive months as of April 30, 2022

Results	
<b>\$100.9M</b> Q1 FY2023 Revenue	
<b>+51%</b> YoY Growth	<b>+51%</b> TTM YoY Growth <sup>1</sup>
Revenue Guidance	
<b>\$101M - \$103M</b> Q2 FY2023 Revenue	
<b>\$422M - \$432M</b> Full Year FY2023 Revenue	

# Financial Overview & Highlights



We are encouraged by our strong financial performance during Q1 FY23, as evidenced by our key metrics:

- Revenue grew 51% YoY driven by strong execution of our adopt, land, expand, extend, and renew strategy
- Customers greater than or equal to \$100K in ARR grew by 181 on a trailing twelve month basis, versus Q1 FY22 at 139, to end at 704. This group of customers represented 88% of revenue in Q1 FY2023
- We ended the quarter with 3,240 customers, versus 1,736 during Q1 FY22
- We sequentially improved our trailing four quarter average Net Dollar Retention Rate this quarter to 133%, well above our target rate of 120%+
- Current non-GAAP RPO<sup>4</sup> grew 55% YoY and total non-GAAP RPO<sup>3</sup> grew 49% YoY

(\$M)	Q1 FY23	YoY Comparison
<b>Total Revenue</b>	<b>\$100.9M</b>	<b>+51% YoY vs. +51% YoY in Q1 FY22</b>
<b>Customers &gt;=\$100k in ARR</b>	<b>704</b>	<b>vs. 523 in Q1 FY22</b>
<b>Revenue from Customers &gt;=\$100k in ARR</b>	<b>88%</b>	<b>vs. 88% in Q1 FY22</b>
<b>Trailing Four Quarter Average Net Dollar Retention Rate</b>	<b>133%</b>	<b>vs. 122% in Q1 FY22</b>
<b>TTM Non-GAAP FCF Margin<sup>1</sup></b>	<b>-22%</b>	<b>-11% in Q1 FY22</b>
<b>Total Customers</b>	<b>3,240</b>	<b>vs. 1,736 in Q1 FY22</b>
<b>HashiCorp Cloud Platform Revenue<sup>2</sup></b>	<b>\$8.8M</b>	<b>vs. \$2.5M in Q1 FY22</b>
<b>Total Non-GAAP RPOs<sup>3</sup></b>	<b>\$457.6M</b>	<b>vs. \$307.7M in Q1 FY22</b>
<b>% Non-GAAP RPO Recognized Within a Year<sup>4</sup></b>	<b>67%</b>	<b>vs. 64% in Q1 FY22</b>
<b>% of TTM recurring revenue<sup>5</sup></b>	<b>&gt;90%</b>	<b>&gt;90% in Q1 FY22</b>

1. Free Cash Flow, or FCF, represents net cash provided by operating activities in the period minus payments for property and equipment and minus amounts from capitalized internal-use software made in the period. Free cash flow is considered a non-GAAP financial measure under the SEC's rules. See appendix for reconciliation for Non-GAAP financial measures.

2. HCP revenue excludes several legacy SKUs that are included in the fully reported Cloud-Hosted Services revenue line

3. Remaining performance obligations, or RPOs, represent the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. GAAP RPOs exclude customer deposits, which are refundable prepaid amounts that are expected to be recognized as revenue in future periods. Non-GAAP RPO is calculated on a Non-GAAP basis. See appendix for reconciliation for Non-GAAP financial measures.

4. Current Remaining Performance Obligations, or cRPOs, represent the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in the next 12 months. GAAP RPOs exclude customer deposits, which are refundable prepaid amounts that are expected to be recognized as revenue in future periods. Non-GAAP RPO is calculated on a Non-GAAP basis. See appendix for reconciliation for Non-GAAP financial measures.

5. Trailing Twelve Months, or TTM, represents data from the past 12 consecutive months as of April 30, 2022

# Q1 FY2023 Highlighted Customer Wins



## Insurance

### Land



*Adopted* Vault OSS in 2019 and then *Landed* as a Vault Enterprise customer in Q1 FY2023. Vault will enable audit findings and address a global security mandate aimed to enhance the current non-compliant management of sensitive credentials.

Vault will address significant worldwide risk of credentials exposure, while providing cost efficiencies for managing and creating globally secure credentials.

**Use Case:** Global Secrets Management

## Financial Services

### Expand



*Landed* with Terraform, Vault, and Consul in FY2019, subsequently *Expanded* to another business unit to replace homegrown infrastructure as code and secrets management platforms, and further *Expanded* again in Q1 FY2023 after demonstrated cost savings and productivity gains.

HashiCorp is fostering a frictionless consumer experience on their platform and enabling additional opportunities for growth.

**Use Case:** Infrastructure as Code, Self-Service Provisioning, Preventative Controls

## Energy

### Extend



*Landed* Terraform in FY2022 and *Extended* to Consul Enterprise in Q1 FY2023 to address the need for a consistent approach to service networking across multiple clouds.

This customer chose Consul because it aligned with its goal of accelerating Cloud Native builds and enabled the migration of its on-premises applications to AWS.

**Use Case:** Service Mesh

# Our Model | Open source to commercial scale



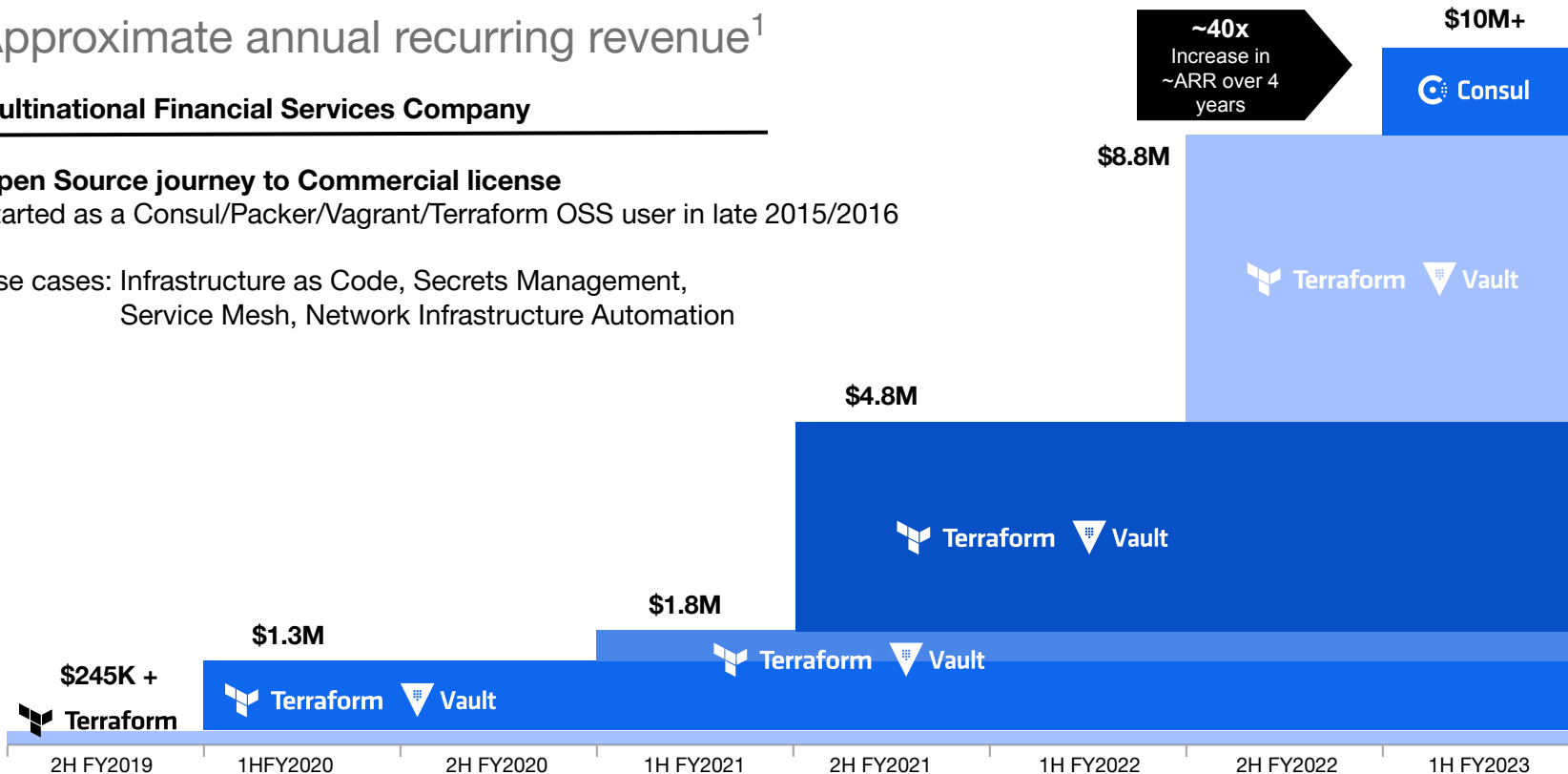
Approximate annual recurring revenue<sup>1</sup>

## Multinational Financial Services Company

### Open Source journey to Commercial license

Started as a Consul/Packer/Vagrant/Terraform OSS user in late 2015/2016

Use cases: Infrastructure as Code, Secrets Management,  
Service Mesh, Network Infrastructure Automation



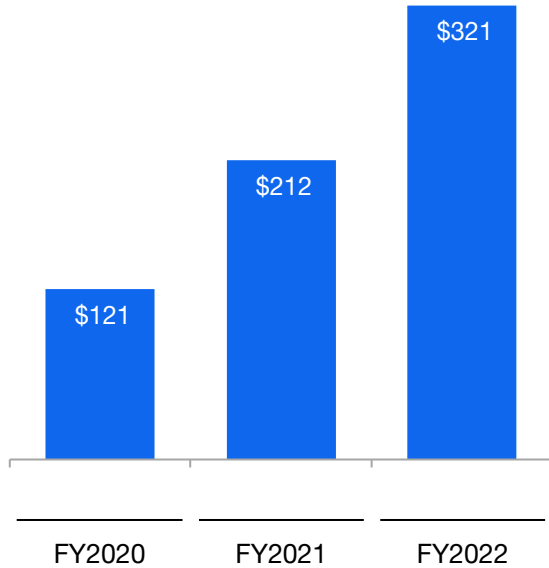
1. Our approximation of annual recurring revenue is calculated by a simple average of annual contract values from the indicated 2H FY and the prior 2HFY.

# Total Revenue



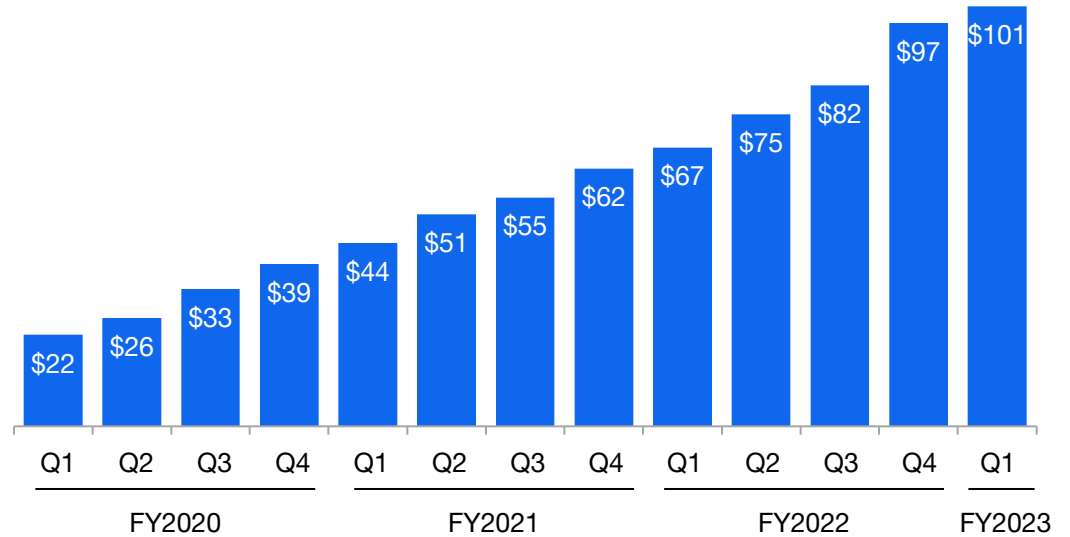
## Annual Revenue

(\$ Millions)



## Quarterly Revenue

(\$ Millions)

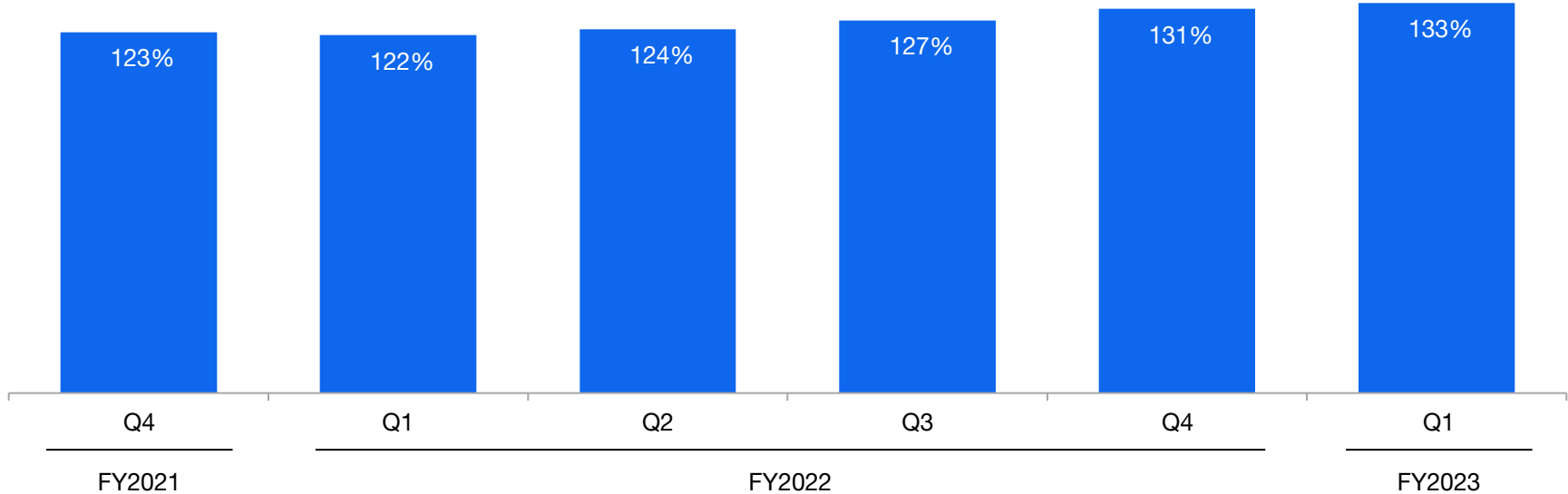


# Net Dollar Retention Rate



Trailing Four Quarter Average Net Dollar Retention Rate

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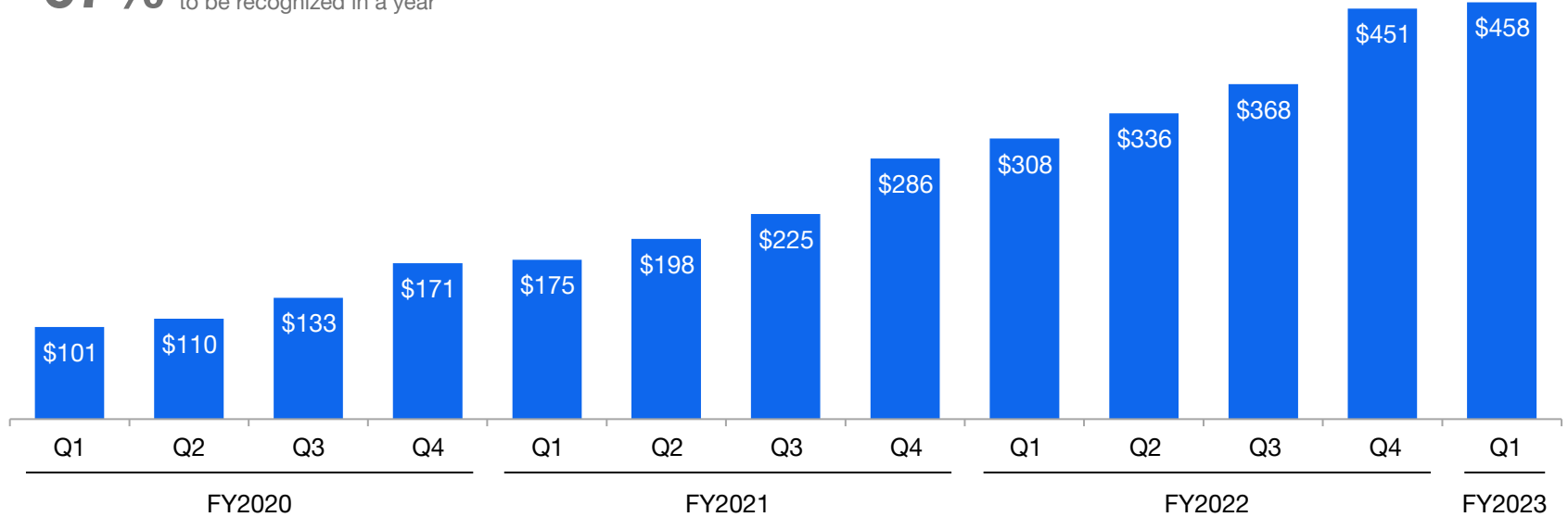
# Customer Commitments



## Quarterly Total Non-GAAP RPO

(\$ Millions)

**67%** of Q1 FY2023 RPO expected to be recognized in a year



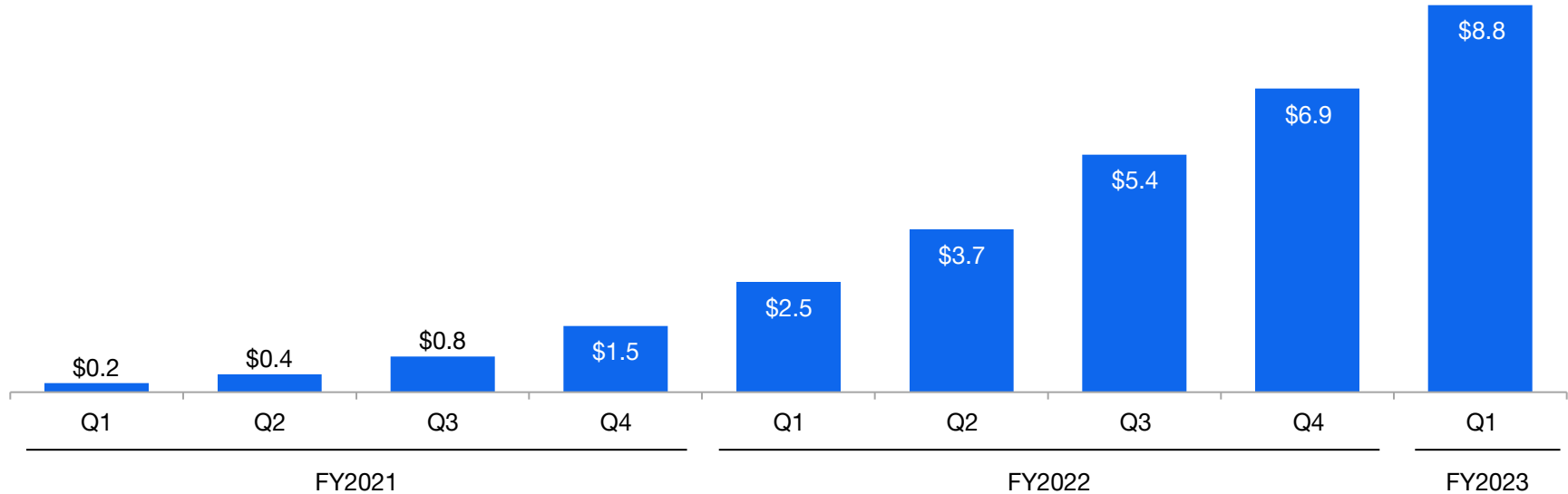
1. Remaining performance obligations, or RPOs, represent the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. RPOs exclude customer deposits, which are refundable prepaid amounts that are expected to be recognized as revenue in future periods.

2. Non-GAAP RPO is calculated on a Non-GAAP basis. See appendix for reconciliation for Non-GAAP financial measures.

# HCP Managed Cloud



## Quarterly Cloud Revenue (\$ Millions)



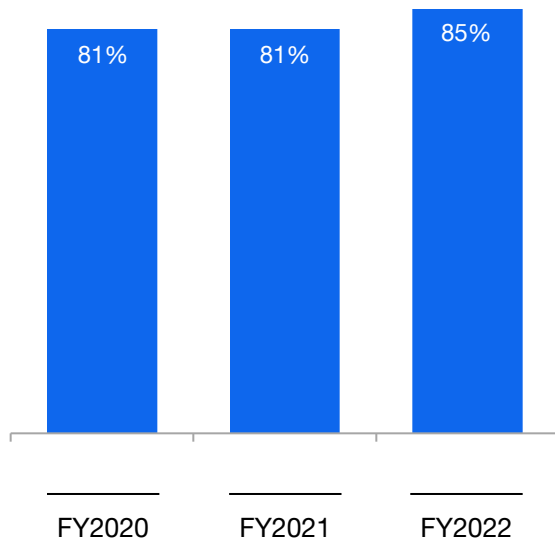
This chart above represents quarterly subscription revenue from HCP (and its predecessor cloud offerings) for the indicated periods.



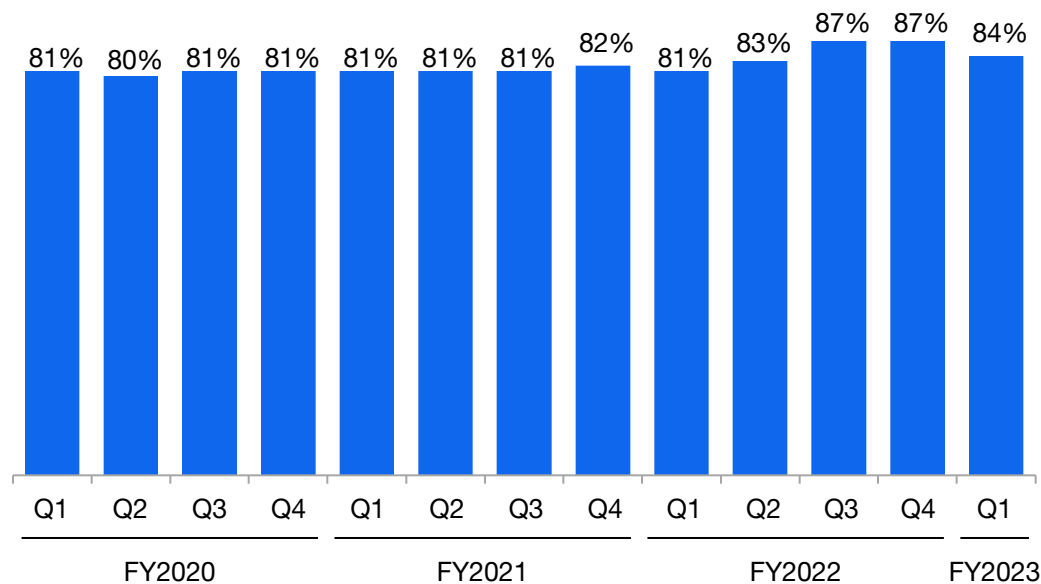
# Non-GAAP Gross Margin Profile<sup>1</sup>



Annual Non-GAAP Gross Margin (%)



Quarterly Non-GAAP Gross Margin (%)

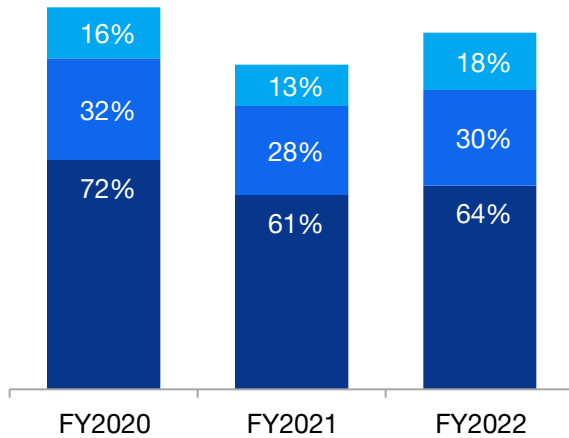


1. Non-GAAP Gross Margin is calculated on a Non-GAAP basis. See appendix for a reconciliation of Non-GAAP financial measures.

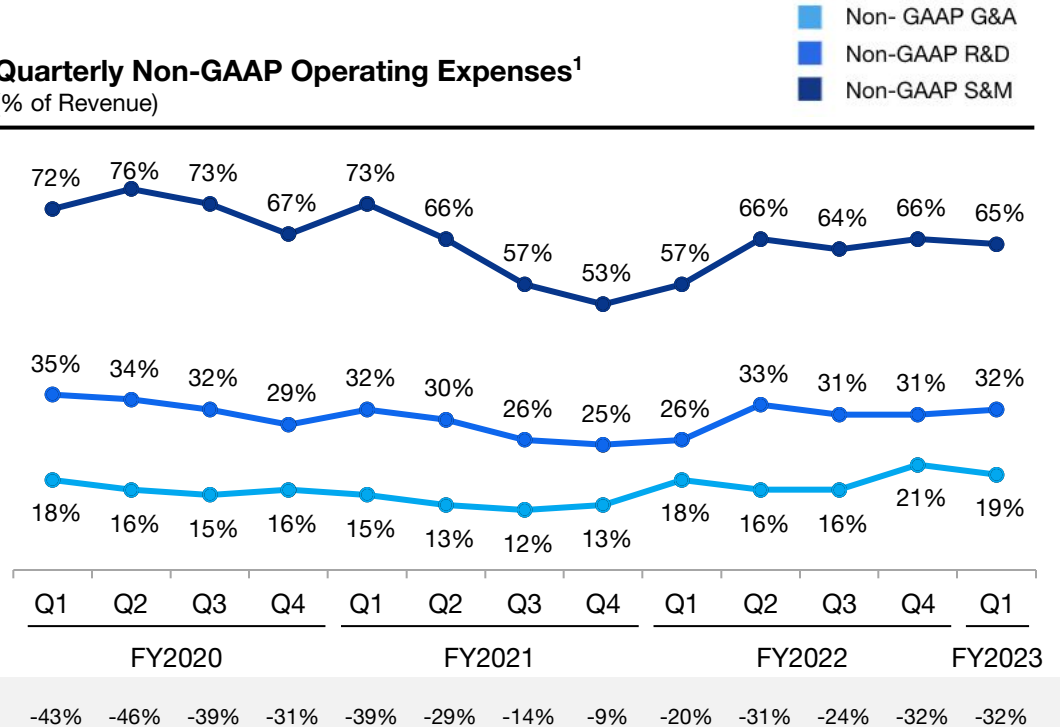
# Non-GAAP Operating Expenses



**Annual Non-GAAP Operating Expenses<sup>1</sup>**  
(% of Revenue)



**Quarterly Non-GAAP Operating Expenses<sup>1</sup>**  
(% of Revenue)



**Non-GAAP Operating Margin**

-39%

-21%

-27%

-43%

-46%

-39%

-29%

-14%

-9%

-20%

-31%

-24%

-32%

-32%

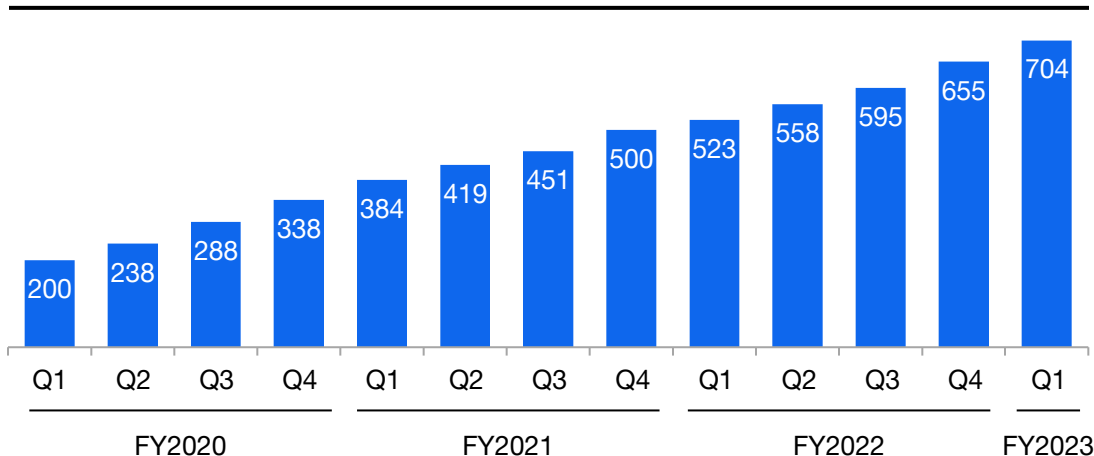
1. Non-GAAP metrics are calculated on a Non-GAAP basis. See appendix for a reconciliation of Non-GAAP financial measures.

# Durable Growth | \$100K + Customer Growth



Revenue Model: Number of  $\geq \$100K$  Customers \* TTM Revenue per  $\geq \$100K$  Customers / % of Revenue from Customers  $\geq \$100K$

## Number of Customers with $\geq \$100K$ in ARR



	Q1 FY2022	Q1 FY2023
<b>Total Customers</b>	1,736	3,240
<b>Customers <math>\geq \\$100K</math> in ARR</b>	523	704
<b>Average Revenue Per Customer <math>\geq \\$100K</math> in ARR<sup>3</sup></b>	\$124K	\$141K
<b>TTM Revenue Per Customer<sup>4</sup> <math>\geq \\$100K</math> in ARR<sup>3</sup></b>	\$423K	\$496K
<b>% of Revenue from Customers <math>\geq \\$100K</math> in ARR</b>	88%	88%

1. Number of customers is measured at the end of each fiscal quarter and is defined as the number of accounts with a unique account identifier for which we have an active contract in the period.

2. Annual Recurring Revenue (ARR) is defined as the annualized value of all recurring subscription contracts with active entitlements as of the end of the applicable period, and in the case of our monthly, or consumption-based customers, the annual value of their last month's spend.

3. Revenue attributable to Customers equal to or greater than \$100K in ARR divided by the number of such customers in the relevant period.

4. Trailing Twelve Month Revenue attributable to Customers equal to or greater than \$100K in ARR is equal to the sum of the last four quarters of revenue from this cohort divided by the average customers for the period

# Guidance



We remain on track with our long-term plan of delivering durable revenue CAGR, and continue to see solid demand signals from the Global 2000, as well as our customers of greater than or equal to \$100K in ARR. These signals give us confidence in the long-term secular shift that is happening in the cloud, and our place as a central part of the technology stack underpinning cloud consumption.

HashiCorp remains focused on cost efficiency while investing appropriately in order to grow the functionality of our products, support our customers, and continue to acquire greater than or equal to \$100K in ARR customers at a strong pace.

- FY2023 Gross Margin assumes that economies of scale in our self-managed revenue is offset to a degree by ongoing investment in our HCP model, which carries higher costs.
- FY2023 Non-GAAP Operating Margin is trending positively compared to last quarter guidance as we drove more efficiency in our business compared to plan.

<i>(in millions, except EPS)</i>	Q2 FY2023	FY2023 <sup>1</sup>
<b>Revenue</b>	\$101 - \$103	\$422 - \$432
<b>Non-GAAP Operating Loss</b>	\$(59) - \$(56)	\$(224) - \$(216)
<b>Non-GAAP Net Loss Per Share</b>	\$(0.32) - (0.30)	\$(1.19) - \$(1.15)
<b>Weighted-average basic and diluted shares used in computing Non-GAAP net loss per share</b>	184.3	184.9
<b>Shares to Calculate Enterprise Value</b>	208.5	

1. With respect to our guidance, we are not able to provide a quantitative reconciliation of non-GAAP operating loss and non-GAAP EPS to the corresponding comparable GAAP financial measures without unreasonable efforts. We are unable to provide meaningful estimates of the non-recurring charges and credits excluded from these non-GAAP financial measures due to the forward-looking nature of these estimates and their inherent variability and uncertainty. For the same reasons, we are unable to provide the probable significance of the unavailable information which may be significant.

# Financial Summary

(\$ Millions, except percentages)<sup>1</sup>



	FY2020				FY2021				FY2022				FY2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Total Revenue	\$ 22.2	\$ 26.4	\$ 33.5	\$ 39.2	\$ 44.3	\$ 50.5	\$ 55.2	\$ 61.8	\$ 66.9	\$ 75.1	\$ 82.2	\$ 96.6	\$ 100.9
Non-GAAP gross profit <sup>1</sup>	\$ 18.0	\$ 21.0	\$ 27.2	\$ 31.6	\$ 35.8	\$ 40.9	\$ 45.0	\$ 50.5	\$ 54.4	\$ 62.3	\$ 71.3	\$ 83.7	\$ 85.0
Non-GAAP gross margin	81.0%	80.0%	81.0%	81.0%	81.0%	81.0%	81.0%	82.0%	81.0%	83.0%	87.0%	87.0%	84.2%
Non-GAAP S&M expense <sup>1</sup>	\$ 16.1	\$ 20.0	\$ 24.6	\$ 26.2	\$ 32.2	\$ 33.6	\$ 31.3	\$ 32.6	\$ 38.2	\$ 49.5	\$ 53.0	\$ 63.9	\$ 65.9
Non-GAAP R&D expense <sup>1</sup>	\$ 7.7	\$ 8.9	\$ 10.7	\$ 11.3	\$ 14.4	\$ 15.1	\$ 14.6	\$ 15.4	\$ 17.7	\$ 24.5	\$ 25.3	\$ 29.7	\$ 32.4
Non-GAAP G&A expense <sup>1</sup>	\$ 3.9	\$ 4.1	\$ 4.9	\$ 6.2	\$ 6.6	\$ 6.8	\$ 6.7	\$ 7.9	\$ 12.2	\$ 11.9	\$ 13.1	\$ 21.1	\$ 18.7
Non-GAAP operating loss <sup>1</sup>	\$ (9.6)	\$ (12.0)	\$ (13.0)	\$ (12.1)	\$ (17.2)	\$ (14.5)	\$ (7.6)	\$ (5.5)	\$ (13.7)	\$ (23.6)	\$ (20.0)	\$ (31.1)	\$ (32.0)
Non-GAAP operating margin <sup>1</sup>	-43.0%	-46.0%	-39.0%	-31.0%	-39.0%	-29.0%	-14.0%	-9.0%	-20.0%	-31.0%	-24.0%	-32.0%	-31.7%

1. Non-GAAP metrics are calculated on a Non-GAAP basis. See appendix for a reconciliation of Non-GAAP financial measures.

# GAAP to Non-GAAP Reconciliations

(\$ Millions, except percentages)<sup>1</sup>



	FY2020				FY2020	FY2021				FY2021	FY2022				FY2022	FY2023
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		
Total Revenue	\$ 22.2	\$ 26.4	\$ 33.5	\$ 39.2	\$ 121.3	\$ 44.3	\$ 50.5	\$ 55.2	\$ 61.8	\$ 211.9	\$ 66.9	\$ 75.1	\$ 82.2	\$ 96.6	\$ 320.8	\$ 100.9
Sales and marketing (S&M) expense on a GAAP basis	\$ 16.6	\$ 20.8	\$ 25.2	\$ 26.8	\$ 89.3	\$ 32.9	\$ 43.1	\$ 31.9	\$ 33.2	\$ 141.0	\$ 38.9	\$ 50.0	\$ 53.5	\$ 127.1	\$ 269.5	\$ 80.3
Less: Stock-based compensation expense <sup>1</sup>	\$ 0.5	\$ 0.8	\$ 0.6	\$ 0.6	\$ 2.5	\$ 0.6	\$ 9.5	\$ 0.6	\$ 0.6	\$ 11.3	\$ 0.7	\$ 0.5	\$ 0.5	\$ 63.2	\$ 64.9	\$ 14.4
<b>Non-GAAP S&amp;M expense</b>	<b>\$ 16.1</b>	<b>\$ 20.0</b>	<b>\$ 24.6</b>	<b>\$ 26.2</b>	<b>\$ 86.8</b>	<b>\$ 32.2</b>	<b>\$ 33.6</b>	<b>\$ 31.3</b>	<b>\$ 32.6</b>	<b>\$ 129.7</b>	<b>\$ 38.2</b>	<b>\$ 49.5</b>	<b>\$ 53.0</b>	<b>\$ 63.9</b>	<b>\$ 204.6</b>	<b>\$ 65.9</b>
Non-GAAP S&M expense as a % of total revenue	72.0%	76.0%	73.0%	67.0%	72.0%	73.0%	66.0%	57.0%	53.0%	61.0%	57.0%	66.0%	64.0%	66.0%	64.0%	65.3%
Research and development (R&D) expense on a GAAP basis	\$ 8.0	\$ 9.3	\$ 11.1	\$ 11.7	\$ 40.1	\$ 14.5	\$ 19.8	\$ 15.1	\$ 15.9	\$ 65.2	\$ 18.1	\$ 24.9	\$ 25.7	\$ 96.3	\$ 165.0	\$ 47.2
Less: Stock-based compensation expense <sup>1</sup>	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4	\$ 1.5	\$ 0.4	\$ 4.7	\$ 0.4	\$ 0.4	\$ 6.0	\$ 0.4	\$ 0.4	\$ 0.4	\$ 66.6	\$ 67.9	\$ 14.7
<b>Non-GAAP R&amp;D expense</b>	<b>\$ 7.7</b>	<b>\$ 8.9</b>	<b>\$ 10.7</b>	<b>\$ 11.3</b>	<b>\$ 38.6</b>	<b>\$ 14.1</b>	<b>\$ 15.1</b>	<b>\$ 14.6</b>	<b>\$ 15.4</b>	<b>\$ 59.3</b>	<b>\$ 17.7</b>	<b>\$ 24.5</b>	<b>\$ 25.3</b>	<b>\$ 29.7</b>	<b>\$ 97.1</b>	<b>\$ 32.4</b>
Non-GAAP R&D expense as a % of total revenue	35.0%	34.0%	32.0%	29.0%	32.0%	32.0%	30.0%	26.0%	25.0%	28.0%	26.0%	33.0%	31.0%	31.0%	30.0%	32.1%
General and Administrative (G&A) expense on a GAAP basis	\$ 6.0	\$ 5.1	\$ 5.9	\$ 7.2	\$ 24.1	\$ 7.3	\$ 25.5	\$ 7.3	\$ 8.5	\$ 48.5	\$ 12.6	\$ 12.4	\$ 13.5	\$ 73.6	\$ 112.1	\$ 32.5
Less: Stock-based compensation expense <sup>1</sup>	\$ 2.1	\$ 0.9	\$ 1.0	\$ 1.0	\$ 5.0	\$ 0.7	\$ 18.7	\$ 0.6	\$ 0.5	\$ 20.6	\$ 0.5	\$ 0.5	\$ 0.4	\$ 52.5	\$ 53.8	\$ 13.8
<b>Non-GAAP G&amp;A expense</b>	<b>\$ 3.9</b>	<b>\$ 4.1</b>	<b>\$ 4.9</b>	<b>\$ 6.2</b>	<b>\$ 19.1</b>	<b>\$ 6.6</b>	<b>\$ 6.8</b>	<b>\$ 6.7</b>	<b>\$ 7.9</b>	<b>\$ 27.9</b>	<b>\$ 12.2</b>	<b>\$ 11.9</b>	<b>\$ 13.1</b>	<b>\$ 21.1</b>	<b>\$ 58.3</b>	<b>\$ 18.7</b>
Non-GAAP G&A expense as a % of total revenue	18.0%	16.0%	15.0%	16.0%	16.0%	15.0%	13.0%	12.0%	13.0%	13.0%	18.0%	16.0%	16.0%	22.0%	18.0%	18.6%

1. In connection with tender offers and secondary sales of our common stock, stock-based compensation expense for fiscal 2020 and fiscal 2021, included \$1.5 million and \$32.1 million of expense, respectively, related to the amount paid in excess of the estimated fair value of common stock as of the date of the transactions.

# GAAP to Non-GAAP Reconciliations

(\$ Millions)<sup>1</sup>



	FY2020				FY2020	FY2021				FY2021	FY2022				FY2022	FY2023
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1
Total GAAP Operating Expenses	\$ 30.6	\$ 35.1	\$ 42.1	\$ 45.7	\$ 153.6	\$ 54.7	\$ 88.4	\$ 54.2	\$ 57.5	\$ 254.8	\$ 69.7	\$ 87.3	\$ 92.6	\$ 297.0	\$ 546.6	\$ 160.0
Less: Stock-based compensation expense <sup>1</sup>	\$ 2.9	\$ 2.0	\$ 2.0	\$ 2.0	\$ 9.0	\$ 1.8	\$ 32.9	\$ 1.6	\$ 1.6	\$ 37.9	\$ 1.6	\$ 1.4	\$ 1.3	\$ 182.2	\$ 186.6	\$ 42.9
<b>Total non-GAAP Operating Expenses</b>	<b>\$ 27.7</b>	<b>\$ 33.1</b>	<b>\$ 40.2</b>	<b>\$ 43.7</b>	<b>\$ 144.6</b>	<b>\$ 53.0</b>	<b>\$ 55.5</b>	<b>\$ 52.6</b>	<b>\$ 55.9</b>	<b>\$ 217.0</b>	<b>\$ 68.0</b>	<b>\$ 85.9</b>	<b>\$ 91.3</b>	<b>\$ 114.8</b>	<b>\$ 360.0</b>	<b>\$ 117.0</b>

1. In connection with tender offers and secondary sales of our common stock, stock-based compensation expense for fiscal 2020 and fiscal 2021, included \$1.5 million and \$32.1 million of expense, respectively, related to the amount paid in excess of the estimated fair value of common stock as of the date of the transactions.

# GAAP to Non-GAAP Reconciliations

(Shares in Millions)



	FY2020				FY2020	FY2021				FY2021	FY2022				FY2022	FY2023
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1
Total net loss per share on a GAAP basis	\$ (0.20)	\$ (0.23)	\$ (0.24)	\$ (0.23)	\$ (0.90)	\$ (0.31)	\$ (0.78)	\$ (0.14)	\$ (0.11)	\$ (1.32)	\$ (0.24)	\$ (0.37)	\$ (0.33)	\$ (1.70)	\$ (3.48)	\$ (0.43)
Add: Stock-based compensation expense <sup>1</sup>	\$ 0.05	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.16	\$ 0.03	\$ 0.54	\$ 0.03	\$ 0.03	\$ 0.62	\$ 0.03	\$ 0.02	\$ 0.02	\$ 1.47	\$ 2.41	\$ 0.25
Add: Adjustment to total fully diluted earnings per share <sup>2</sup>	\$ -	\$ -	\$ (0.01)	\$ (0.01)	\$ -	\$ -	\$ 0.01	\$ (0.01)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.01)	\$ -	\$ 0.01
<b>Non-GAAP net loss per share</b>	<b>\$ (0.15)</b>	<b>\$ (0.19)</b>	<b>\$ (0.21)</b>	<b>\$ (0.20)</b>	<b>\$ (0.74)</b>	<b>\$ (0.28)</b>	<b>\$ (0.23)</b>	<b>\$ (0.12)</b>	<b>\$ (0.08)</b>	<b>\$ (0.70)</b>	<b>\$ (0.21)</b>	<b>\$ (0.35)</b>	<b>\$ (0.31)</b>	<b>\$ (0.24)</b>	<b>\$ (1.07)</b>	<b>\$ (0.17)</b>
Weighted average shares, basic and diluted	56.1	58.8	59.4	60.2	59.2	61.1	62.2	64.9	65.2	63.4	65.7	66.5	66.8	133.6	83.3	182.9

1. In connection with tender offers and secondary sales of our common stock, stock-based compensation expense for fiscal 2020 and fiscal 2021, included \$1.5 million and \$32.1 million of expense, respectively, related to the amount paid in excess of the estimated fair value of common stock as of the date of the transactions.

2. The sum of the fully diluted earnings per share impact of individual reconciling items may not total to fully diluted Non-GAAP net loss per share due to the weighted-average shares used in computing the GAAP net loss per share differs from the weighted-average shares used in computing the Non-GAAP net loss per share and due to rounding of the individual reconciling items. The GAAP net loss per share calculation uses a lower share count as it excludes potentially dilutive shares, which are included in calculating the non-GAAP loss per share.



# GAAP to Non-GAAP Reconciliations

(\$ Millions, except percentages)



	FY2020				FY2020	FY2021				FY2021	FY2022				FY2022	FY2023
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1
Total Revenue	\$ 22.2	\$ 26.4	\$ 33.5	\$ 39.2	\$ 121.3	\$ 44.3	\$ 50.5	\$ 55.2	\$ 61.8	\$ 211.9	\$ 66.9	\$ 75.1	\$ 82.2	\$ 96.6	\$ 320.8	\$ 100.9
Total gross profit on a GAAP basis	\$ 17.9	\$ 20.9	\$ 27.1	\$ 31.5	\$ 97.3	\$ 35.6	\$ 39.9	\$ 44.9	\$ 50.4	\$ 170.8	\$ 54.2	\$ 62.2	\$ 71.1	\$ 69.8	\$ 257.3	\$ 81.5
Add: Amortization of stock-based compensation of capitalized internal-use software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.40	\$ 0.40	\$ 0.17
Add: Stock-based compensation expense in cost of revenue <sup>1</sup>	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.5	\$ 0.1	\$ 1.0	\$ 0.1	\$ 0.1	\$ 1.4	\$ 0.1	\$ 0.1	\$ 0.2	\$ 13.5	\$ 13.9	\$ 3.3
<b>Non-GAAP gross profit</b>	<b>\$ 18.0</b>	<b>\$ 21.0</b>	<b>\$ 27.2</b>	<b>\$ 31.6</b>	<b>\$ 97.8</b>	<b>\$ 35.8</b>	<b>\$ 40.9</b>	<b>\$ 45.0</b>	<b>\$ 50.5</b>	<b>\$ 172.2</b>	<b>\$ 54.4</b>	<b>\$ 62.3</b>	<b>\$ 71.3</b>	<b>\$ 83.7</b>	<b>\$ 271.6</b>	<b>\$ 85.0</b>
Non-GAAP gross margin	81.0%	80.0%	81.0%	81.0%	81.0%	81.0%	81.0%	81.0%	82.0%	81.0%	81.0%	83.0%	87.0%	87.0%	85.0%	84.2%
	FY2020				FY2020	FY2021				FY2021	FY2022				FY2022	FY2023
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1
Total Revenue	\$ 22.2	\$ 26.4	\$ 33.5	\$ 39.2	\$ 121.3	\$ 44.3	\$ 50.5	\$ 55.2	\$ 61.8	\$ 211.9	\$ 66.9	\$ 75.1	\$ 82.2	\$ 96.5	\$ 320.8	\$ 100.9
Operating Loss	\$ (12.7)	\$ (14.2)	\$ (15.1)	\$ (14.3)	\$ (56.2)	\$ (19.1)	\$ (48.4)	\$ (9.3)	\$ (7.1)	\$ (84.0)	\$ (15.4)	\$ (25.1)	\$ (21.5)	\$ (227.2)	\$ (289.2)	\$ (78.4)
Add: Amortization of stock-based compensation of capitalized internal-use software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.4	\$ 0.4	\$ 0.2
Add: Stock-based compensation expense <sup>1</sup>	\$ 3.0	\$ 2.2	\$ 2.1	\$ 2.1	\$ 9.5	\$ 1.9	\$ 33.9	\$ 1.7	\$ 1.7	\$ 39.2	\$ 1.7	\$ 1.5	\$ 1.5	\$ 195.7	\$ 200.4	\$ 46.3
<b>Non-GAAP operating loss</b>	<b>\$ (9.6)</b>	<b>\$ (12.0)</b>	<b>\$ (13.0)</b>	<b>\$ (12.1)</b>	<b>\$ (46.8)</b>	<b>\$ (17.2)</b>	<b>\$ (14.5)</b>	<b>\$ (7.6)</b>	<b>\$ (5.5)</b>	<b>\$ (44.8)</b>	<b>\$ (13.7)</b>	<b>\$ (23.6)</b>	<b>\$ (20.0)</b>	<b>\$ (31.1)</b>	<b>\$ (88.4)</b>	<b>\$ (32.0)</b>
Non-GAAP operating margin	-43.0%	-46.0%	-39.0%	-31.0%	-39.0%	-39.0%	-29.0%	-14.0%	-9.0%	-21.0%	-20.0%	-31.0%	-24.0%	-32.0%	-28.0%	-31.7%

1. In connection with tender offers and secondary sales of our common stock, stock-based compensation expense for fiscal 2020 and fiscal 2021, included \$1.5 million and \$32.1 million of expense, respectively, related to the amount paid in excess of the estimated fair value of common stock as of the date of the transactions.

# GAAP to Non-GAAP Reconciliations

(\$ Millions)



	FY2020				FY2021				FY2022				FY2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>GAAP RPOs</b>													
GAAP short-term RPOs ("cRPO")	\$ 59.8	\$ 68.0	\$ 80.4	\$ 97.4	\$ 100.6	\$ 116.2	\$ 131.6	\$ 165.8	\$ 178.7	\$ 198.6	\$ 220.7	\$ 268.9	\$ 284.3
GAAP long-term RPOs	\$ 26.2	\$ 25.4	\$ 34.6	\$ 54.7	\$ 54.8	\$ 62.3	\$ 74.3	\$ 98.1	\$ 109.2	\$ 118.8	\$ 128.3	\$ 159.9	\$ 149.6
<b>Total GAAP RPOs</b>	<b>\$ 86.0</b>	<b>\$ 93.4</b>	<b>\$ 115.0</b>	<b>\$ 152.1</b>	<b>\$ 155.4</b>	<b>\$ 178.5</b>	<b>\$ 206.0</b>	<b>\$ 263.9</b>	<b>\$ 287.9</b>	<b>\$ 317.4</b>	<b>\$ 349.0</b>	<b>\$ 428.8</b>	<b>\$ 433.9</b>
<b>Customer Deposits</b>													
Customer deposits expected to be recognized within the next 12 months	\$ 11.6	\$ 13.6	\$ 14.4	\$ 16.0	\$ 17.3	\$ 18.1	\$ 17.5	\$ 20.4	\$ 18.3	\$ 17.1	\$ 16.9	\$ 20.3	\$ 20.9
Customer deposits expected to be recognized after the next 12 months	\$ 3.9	\$ 3.5	\$ 3.3	\$ 2.9	\$ 2.5	\$ 1.9	\$ 1.3	\$ 1.8	\$ 1.4	\$ 1.3	\$ 2.0	\$ 3.1	\$ 2.8
Total customer deposits	\$ 15.5	\$ 17.1	\$ 17.6	\$ 18.9	\$ 19.8	\$ 20.0	\$ 18.8	\$ 22.2	\$ 19.8	\$ 18.4	\$ 19.0	\$ 23.4	\$ 23.7
<b>Total Non-GAAP RPOs</b>	<b>\$ 101.5</b>	<b>\$ 110.5</b>	<b>\$ 132.6</b>	<b>\$ 171.0</b>	<b>\$ 175.2</b>	<b>\$ 198.5</b>	<b>\$ 224.8</b>	<b>\$ 286.1</b>	<b>\$ 307.7</b>	<b>\$ 335.8</b>	<b>\$ 368.0</b>	<b>\$ 452.2</b>	<b>\$ 457.6</b>
<b>Total Non-GAAP short-term RPOs ("cRPO")</b>	<b>\$ 71.4</b>	<b>\$ 81.6</b>	<b>\$ 94.7</b>	<b>\$ 113.4</b>	<b>\$ 117.9</b>	<b>\$ 134.3</b>	<b>\$ 149.1</b>	<b>\$ 186.2</b>	<b>\$ 197.1</b>	<b>\$ 215.7</b>	<b>\$ 237.7</b>	<b>\$ 289.2</b>	<b>\$ 305.3</b>
Total Non-GAAP long-term RPOs	\$ 30.1	\$ 28.8	\$ 37.9	\$ 57.6	\$ 57.3	\$ 64.2	\$ 75.7	\$ 99.9	\$ 110.6	\$ 120.1	\$ 130.3	\$ 163.0	\$ 152.3

# GAAP to Non-GAAP Reconciliations

(\$ Millions, except percentages)



	FY2020				FY2020	FY2021				FY2021	FY2022				FY2022	FY2023
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1
Total TTM GAAP net cash from operating activities	\$ 10.6	\$ (0.3)	\$ 2.3	\$ (28.4)	\$ (28.4)	\$ (45.1)	\$ (39.6)	\$ (48.7)	\$ (39.6)	\$ (39.6)	\$ (20.5)	\$ (40.7)	\$ (55.8)	\$ (56.2)	\$ (56.2)	\$ (72.3)
Add: Purchases of property and equipment	\$ (0.4)	\$ 0.1	\$ (0.3)	\$ (1.0)	\$ (1.0)	\$ (4.0)	\$ (4.6)	\$ (5.1)	\$ (4.3)	\$ (4.3)	\$ (1.3)	\$ (0.7)	\$ (0.2)	\$ (0.2)	\$ (0.2)	\$ (0.2)
Add: Capitalized internal-use software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.4)	\$ (1.0)	\$ (1.9)	\$ (2.9)	\$ (2.9)	\$ (3.9)	\$ (4.7)	\$ (5.7)	\$ (6.4)	\$ (6.4)	\$ (6.6)
<b>Non-GAAP TTM Free Cash Flow</b>	<b>\$ 10.2</b>	<b>\$ (0.2)</b>	<b>\$ 2.0</b>	<b>\$ (29.4)</b>	<b>\$ (29.4)</b>	<b>\$ (49.5)</b>	<b>\$ (45.2)</b>	<b>\$ (55.6)</b>	<b>\$ (46.8)</b>	<b>\$ (46.8)</b>	<b>\$ (25.7)</b>	<b>\$ (46.2)</b>	<b>\$ (61.6)</b>	<b>\$ (62.8)</b>	<b>\$ (62.8)</b>	<b>\$ (79.1)</b>
Non-GAAP TTM Free Cash Flow Margin	-	-	-	-	-24.0%	-35.0%	-27.0%	-29.0%	-22.0%	-22.0%	-11.0%	-18.0%	-22.0%	-20.0%	-20.0%	-22.3%