Company Overview
Disclaimers

This presentation contains forward-looking statements. All statements contained in this presentation other than statements of historical facts, including, without limitation, statements regarding our market opportunity, demand for our product and service offerings, expectations regarding our annualized recurring revenue (ARR) and growth, ARR opportunity for an average-sized customer, ARR growth per customer, revenue growth, non-GAAP operating margin expansion, free cash flow, and our other non-GAAP measures, our business strategy, plans and objectives for future operations and expectations regarding non-GAAP targets, our future financial and business performance for the second quarter and full-year 2022, the assumptions underlying such guidance and the anticipated impact of COVID-19 on our guidance, business, financial condition and results of operations, are forward-looking statements.

Our use of the words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “will” and similar expressions are intended to identify forward-looking statements. The events described in our forward-looking statements are subject to a number of risks and uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by the forward-looking statements. Risks that could cause or contribute to such differences include, but are not limited to, risks arising from the ongoing COVID-19 pandemic, fluctuations in our quarterly results, failure to meet our publicly announced guidance or other expectations about our business, our rapid growth and ability to sustain our revenue growth rate, the ability of our products and professional services to correctly detect vulnerabilities, competition in the markets in which we operate, market growth, our ability to innovate and manage our growth, our ability to integrate acquired companies, including IntSights, our ability to operate in compliance with applicable laws as well as other risks and uncertainties set forth in the “Risk Factors” section of our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 24, 2022 and in the subsequent reports that we file with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those expressed in any forward-looking statements we may make. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. 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.

This presentation also contains certain non-GAAP financial measures as defined by the SEC rules. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial 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. Please refer to our May 4, 2022 press release for additional information as to why we believe these non-GAAP financial measures are useful to investors and others in assessing our operating results. As required by Regulation G, we have provided a reconciliation of those measures to their most directly comparable GAAP measures, which is available in the end notes to this presentation. However, the reconciliation of non-GAAP guidance measures to the most comparable GAAP measures does not reflect any items that are unknown at this time, such as litigation-related expenses, which we are not able to predict without unreasonable effort due to their inherent uncertainty.
Rapid7 Snapshot

Strong Recurring Revenue Growth
ARR growth of 38% YoY\(^1\)

High Quality of Revenue
Recurring revenue 94% of total revenue\(^1\)

Attractive Customer Economics
YoY growth in ARR per customer\(^1\) 18%

Investing in Profitable Growth
Expansion of Non-GAAP Operating Margin and Free Cash Flow
Projected in 2022\(^2\)

Attractive Prospects
Projected ARR growth of 24% in 2022\(^2\)
Projected Revenue growth of 28% in 2022\(^2\)

\(^1\) As of Q1 2022.
\(^2\) Based on FY 2022 guidance provided as of May 4, 2022. Growth rates are at the mid-point of the guidance range.
Organizations need best-in-class security that is both sophisticated and accessible.
Delivering on Our Mission

Make the most successful security technologies and practices accessible to all.

**Best-in-Class Technology**
Unite teams and tools with award-winning cloud products delivering visibility, analytics, and automation.

**Unified Cloud Platform**
Enrich customer experiences with broad environment visibility, seamless integrations and ease of scaling.

**Expertise & Community**
Deliver leading products and expertise built on insights from our experienced security researchers and the security community.
Rapid7 Insight Platform

United teams work smarter, not harder.

Our cloud platform helps Security, IT, and Development teams reduce risk across their entire connected environment.

Unified access centrally manages vulnerabilities, monitors for misconfigurations and malicious behavior, investigates and shuts down attacks, or automates operations.
Landing and Expanding Across Multiple Pillars

- Threat Detection & Response
- Cloud Security
- Vulnerability Risk Management

Threat Intelligence

Intelligent Automation

Shared RAPID Insight Engine
Collection, Data, Analytics Services
Accessibility to Insight via Tailored SecOps Pillars

Shared RAPID Insight Engine

Automation
- Orchestration
- Workflow
- Action

Analytics
- User Behavior
- Attacker Behavior
- Vulnerability Prioritization
- Policy Compliance
- Identity Governance
- Remediation

Data
- Searchable
- Unstructured & Structured
- Long Term Archival
- High Volume
- Integrations

Collection
- Cloud
- Endpoint
- Logs
- Network
- Apps
- API
Best-in-Class Threat Detection & Response

- Broad Visibility Across Cloud and On-premise
- Detection-oriented Analytics
- Automated Containment & Response

Automation: Custom Escalation Workflows
Analytics: UBA, ABA, ML
Data: Integrations
Collection: Cloud, Endpoint, Network
Best-in-Class Cloud Security

- Multi-cloud Risk Visibility & Analytics
- Extensible & Customizable to Connect Security and DevOps Teams
- Real-time Automated Remediation

Automation: Native & Integrated
Analytics: CIEM, CWPP, CSPM
Data: AWS, Azure, GCP, OCI
Collection: Cloud
Best-in-Class Vulnerability Risk Management

- Broad Visibility Across Traditional and Modern Environments
- Prioritize Risk with Advanced Analytics
- Automation-assisted Remediation

Automation: Custom Processes, Workflows
Analytics: Attacker Behavior, Vulnerability Prioritization
Data: Searchable, Integrations
Collection: Cloud, Endpoint, Network
Massive Market Opportunity

Top Down (2022)

- Under-Penetrated Opportunity: ~$29 bn
- Security Transformation: IDC

Bottom Up (2022)

- Security Transformation: ~$37 bn
- ARR Opportunity for an average-sized customer: ~$500k
- Global Addressable Customer Opportunity: > 74,000


2 The future financial results presented are hypothetical amounts for achievement of certain scenarios and are not projections, guidance or an outlook for Rapid7’s future financial results

3 Based on Dun & Bradstreet Hoovers global business data
Extensive Partner Ecosystem

500+ Platform Integrations

Platform Integrations

Duo
Okta
Azure
AWS
Cisco
VMware
Zoom
Box
RSA
SPLUNK

RAPID7
Rapid7 Global Threat Intelligence Community

Security expertise infused into everything we do

**Insight Customers**
10k+ Global Customers

**Service Engagements**
Field Insights from Leading Global MDR and Services Organization

**Metasploit**
Industry Leading Penetration Testing Tool

**Attacker KB**
Vulnerability Database & Community

**Project Heisenberg**
Global Honeypot Network

**Project Sonar**
Global Internet Scanning

**Velociraptor**
Digital Forensics & Incident Response

**Threat Command**
Attack Surface Expertise
Rapid7 Leadership Among Analysts

- **insightIDR**
  - **Gartner**
  - **Leader**
  - SIEM

- **insightCloudSec**
  - **Forrester**
  - **Strong Performer**
  - Cloud Workload Security

- **insightVM**
  - **Forrester**
  - **Leader**
  - Vulnerability Risk Management

- **insightConnect**
  - **Gartner**
  - **Top Vendor**
  - Market Guide

- **insightAppSec**
  - **Gartner**
  - **Visionary**
  - Application Security Testing
Rapid7 for Social Good Beyond ESG

Rapid7 Core Values

**Bring You**
Thrive by celebrating individuality and diverse perspectives

**Be an Advocate**
Relentlessly champion our customers to propel the security industry forward

**Challenge Convention**
Forge new paths with foresight, discipline, and determination

**Impact Together**
Actively support, collaborate with, and learn from each other

**Never Done**
Pursue personal and professional excellence through continuous learning

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**Diversity, Equity, & Inclusion**

**Environment & Climate Change**
Focus on reducing environmental impact by minimizing greenhouse gas emissions, reducing & responsibly disposing of waste, and creating more sustainable workplaces.

**Corporate Governance**
High ethical standards for governance set by the board of directors.

**Community Engagement & Social Impact**
Giving back to our communities through partnerships with STEM and inclusion-focused programs, charitable giving, and employee volunteerism.

**Non-Profit Support**
Offering solution discounts to eligible Non-profits so they can focus more of their resources pursuing the good they do in the world.
Financial Overview
Sustained Revenue Growth

• Q1 2022 revenue growth of 34% year-over-year

• Revenue CAGR (2017-2021): 28%

• Non-GAAP operating margin improvement over time

2017 numbers are under ASC 605 and 2018 and beyond numbers are under ASC 606
Annualized Recurring Revenue

- ARR grew by 38% year-over-year in Q1 2022
- ARR CAGR of 37% from Q1 2018 to Q1 2022

![Graph showing annualized recurring revenue growth from Q1 2018 to Q1 2022 with CAGR of 37%.]
Upsells & Cross-Sells Drive ARR per Customer Growth

• ARR per customer was approximately $60.3k in Q1 2022

• ARR per customer CAGR of 17% from Q1 2019 to Q1 2022

ARR per customer is based on the new customer count methodology provided at Rapid7's 2021 Investor Day on March 10, 2021.
Significant Long-Term ARR Per Customer Opportunity

- Our recurring revenue potential for an average-sized customer is **$500k** per year

- ARR per customer was approximately **$60.3k** in Q1 2022

The future financial results presented are hypothetical amounts for achievement of certain scenarios and are not projections, guidance or an outlook for Rapid7’s future financial results.
Focused on Long-term Profitability Improvement

Expenses and Operating Income as % of Revenue (non-GAAP)

**Gross Margin (non-GAAP)**
- 75%
- 74%
- 73%

**Sales & Marketing (non-GAAP)**
- 45%
- 43%
- 41%

**Research & Development (non-GAAP)**
- 19%
- 20%
- 21%

**General & Administrative (non-GAAP)**
- 10%
- 9%
- 8%

**Operating Income (non-GAAP)**
- 0.7%
- 0.5%
- 1.4%
Powerful Land and Expand Model

Compelling Track Record of Customer Acquisition, Retention and Expansion

Land
+16%
YoY Customer Growth¹

Expand
+18%
YoY ARR per Customer Growth¹

ARR Growth
+38%
YoY ARR Growth¹

¹ As of Q1 2022
## Guidance: Q2 2022 and Full-Year 2022

Rapid7 anticipates Annualized Recurring Revenue, Revenue, Non-GAAP (loss) income from operations, non-GAAP net (loss) income per share and free cash flow to be in the following ranges:

<table>
<thead>
<tr>
<th></th>
<th>Q2 2022</th>
<th>Full Year 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annualized Recurring Revenue</td>
<td>$740 to $750m</td>
<td></td>
</tr>
<tr>
<td>Annualized Recurring Revenue Growth</td>
<td>24% to 25%</td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$163 to $165m</td>
<td>$686 to $692m</td>
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<tr>
<td>Revenue Growth</td>
<td>29% to 31%</td>
<td>28% to 29%</td>
</tr>
<tr>
<td>Non-GAAP (Loss) Income From Operations</td>
<td>$0 to $2m</td>
<td>$17 to $24m</td>
</tr>
<tr>
<td>Non-GAAP Net (Loss) Income Per Share</td>
<td>$(0.07) to $(0.03)</td>
<td>$0.05 to $0.16</td>
</tr>
<tr>
<td>Weighted-average Shares Outstanding</td>
<td>58.8 m*</td>
<td>60.9 m*</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$40 to $45m</td>
<td></td>
</tr>
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</table>

See End Notes for additional information and definitions.

1Weighted average shares outstanding for Q2 2022 represent basic shares outstanding given our projected non-GAAP net loss and diluted shares outstanding for the full-year 2022 given our projected range of non-GAAP net income.

A reconciliation of non-GAAP guidance measures to the most comparable GAAP measures is provided in the supplemental financial tables. The reconciliation does not reflect any items that are unknown at this time, such as litigation-related expenses, which we are not able to predict without unreasonable effort due to their inherent uncertainty.
Supplemental
### GAAP to Non-GAAP Reconciliations: Q1 2022

<table>
<thead>
<tr>
<th></th>
<th>GAAP</th>
<th>Stock-based compensation expense</th>
<th>Amortization of acquired intangible assets</th>
<th>Litigation-related expenses</th>
<th>Amortization of debt discount and issuance costs</th>
<th>Non-GAAP</th>
<th>Depreciation expense</th>
<th>Amortization of intangible assets</th>
<th>Adjusted EBITDA</th>
</tr>
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<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
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<td><strong>Total revenue:</strong></td>
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<td><strong>Cost of revenue:</strong></td>
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<td>Products</td>
<td>$43,472</td>
<td>$1,495</td>
<td>$4,844</td>
<td>$-</td>
<td>$37,133</td>
<td>$439</td>
<td>$1,143</td>
<td>$35,551</td>
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<td>Professional services</td>
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<td>995</td>
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<td>-</td>
<td>7,222</td>
<td>169</td>
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<td>7,053</td>
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<td><strong>Total cost of revenue</strong></td>
<td>$51,289</td>
<td>2,090</td>
<td>$4,844</td>
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<td>$44,355</td>
<td>608</td>
<td>$1,143</td>
<td>$42,604</td>
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<td><strong>Gross margin %</strong></td>
<td>67%</td>
<td>72%</td>
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<td>Research and development</td>
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<td>13,024</td>
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<td>36,788</td>
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<td>35,795</td>
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<td>684</td>
<td>-</td>
<td>67,688</td>
<td>1,250</td>
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<td>66,436</td>
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<td>General and administrative</td>
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<td>7,084</td>
<td>195</td>
<td>115</td>
<td>14,172</td>
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<td>13,720</td>
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<td><strong>Loss from operations</strong></td>
<td>$(40,870)</td>
<td>$(28,922)</td>
<td>$(5,723)</td>
<td>$(115)</td>
<td>$(5,519)</td>
<td>$(3,803)</td>
<td>$(1,143)</td>
<td>$(1,175)</td>
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<td>Interest income</td>
<td>112</td>
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<td>-</td>
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<td>Interest expense</td>
<td>(2,693)</td>
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<td>(979)</td>
<td>(1,714)</td>
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<td>Other income (expense), net</td>
<td>(603)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(603)</td>
<td>-</td>
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<tr>
<td><strong>Loss before income taxes</strong></td>
<td>$(43,563)</td>
<td>$(28,922)</td>
<td>$(5,723)</td>
<td>$(115)</td>
<td>$(6,498)</td>
<td>$(3,803)</td>
<td>$(1,143)</td>
<td>$(1,175)</td>
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<tr>
<td>Provision for income taxes</td>
<td>1,436</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td></td>
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<tr>
<td><strong>Net loss</strong></td>
<td>$(44,999)</td>
<td>$(28,922)</td>
<td>$(5,723)</td>
<td>$(115)</td>
<td>$(7,346)</td>
<td>$(4,606)</td>
<td>$(1,143)</td>
<td>$(1,175)</td>
<td>$(9,260)</td>
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<td><strong>Net loss per share, basic and diluted</strong></td>
<td>$0.78</td>
<td>-</td>
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<td>-</td>
<td>$0.16</td>
<td></td>
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<td>$0.16</td>
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</table>

(Uaudited, in thousands, except share and per share data)
<table>
<thead>
<tr>
<th>GAAP</th>
<th>Stock-based compensation expense</th>
<th>Amortization of acquired intangible assets</th>
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<th>Induced conversion expense</th>
<th>Non-GAAP</th>
<th>Depreciation expense</th>
<th>Amortization of intangible assets</th>
<th>Adjusted EBITDA</th>
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<tbody>
<tr>
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<td>Professional services</td>
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<td>8,166</td>
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<td><strong>Total revenue</strong></td>
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<td>117,451</td>
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<td><strong>Cost of revenue:</strong></td>
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<td>Products</td>
<td>$ 29,650</td>
<td>$ 1,018</td>
<td>$ 2,741</td>
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<td>$ 25,891</td>
<td>$ 374</td>
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<td>Professional services</td>
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<td>6,103</td>
<td>179</td>
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<td><strong>Total cost of revenue</strong></td>
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<td>-</td>
<td>31,994</td>
<td>553</td>
<td>857</td>
<td>(3,540)</td>
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<td><strong>Gross margin %</strong></td>
<td>69%</td>
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<td>Research and development</td>
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<td>9,279</td>
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<td><strong>(Loss) Income from operations</strong></td>
<td>$ (23,116)</td>
<td>$ (20,862)</td>
<td>$ (2,889)</td>
<td>$ (103)</td>
<td>-</td>
<td>$ 1,906</td>
<td>$ (2,994)</td>
<td>$ (857)</td>
<td>$ 5,757</td>
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<td>Interest income</td>
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<td>Interest expense</td>
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<td>Other income (expense), net</td>
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<td>(1,064)</td>
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<td>Loss before income taxes</td>
<td>(20,482)</td>
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<td>Provision for income taxes</td>
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<td>363</td>
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<td><strong>Net loss</strong></td>
<td>$ (29,845)</td>
<td>$ (20,862)</td>
<td>$ (2,889)</td>
<td>$ (103)</td>
<td>(658)</td>
<td>$ (2,740)</td>
<td>(1,425)</td>
<td></td>
<td>$ (1,425)</td>
</tr>
<tr>
<td>Net loss per share, basic and diluted</td>
<td>$ (0.57)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ (0.03)</td>
</tr>
<tr>
<td>Weighted-average shares used in per share calculation, basic and diluted</td>
<td>52,017,473</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>52,017,473</td>
</tr>
</tbody>
</table>

(Unaudited, in thousands, except share and per share data)
GAAP to Non-GAAP Guidance Reconciliations: Q2 & Full-Year 2022

The reconciliation does not reflect any items that are unknown at this time, such as litigation-related expenses, which we are not able to predict without unreasonable effort due to their inherent uncertainty. As a result, the estimates shown for Anticipated GAAP loss from operations, Anticipated GAAP net loss and Anticipated GAAP net loss per share are expected to change.

(All amounts in millions, except per share data)

<table>
<thead>
<tr>
<th>Reconciliation of GAAP to non-GAAP income from operations:</th>
<th>Second Quarter 2022</th>
<th>Full-Year 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipated GAAP loss from operations</td>
<td>$ (39) to $ (37)</td>
<td>$ (136) to $ (129)</td>
</tr>
<tr>
<td>Add: Anticipated stock-based compensation expense</td>
<td>33 to 33</td>
<td>131 to 131</td>
</tr>
<tr>
<td>Add: Anticipated amortization of acquired intangible assets</td>
<td>6 to 6</td>
<td>22 to 22</td>
</tr>
<tr>
<td>Anticipated non-GAAP income from operations</td>
<td>$ 0 to $ 2</td>
<td>$ 17 to $ 24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reconciliation of GAAP to non-GAAP net (loss) income:</th>
<th>Second Quarter 2022</th>
<th>Full-Year 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipated GAAP net loss</td>
<td>$ (44) to $ (42)</td>
<td>$ (154) to $ (147)</td>
</tr>
<tr>
<td>Add: Anticipated stock-based compensation expense</td>
<td>33 to 33</td>
<td>131 to 131</td>
</tr>
<tr>
<td>Add: Anticipated amortization of acquired intangible assets</td>
<td>6 to 6</td>
<td>22 to 22</td>
</tr>
<tr>
<td>Add: Anticipated amortization of debt issuance costs</td>
<td>1 to 1</td>
<td>4 to 4</td>
</tr>
<tr>
<td>Anticipated non-GAAP net (loss) income</td>
<td>$ (4) to $ (2)</td>
<td>$ 3 to $ 10</td>
</tr>
</tbody>
</table>

| Anticipated GAAP net loss per share, basic and diluted      | $ (0.75) to $ (0.71) | $ (2.61) to $ (2.50) |
| Anticipated non-GAAP net (loss) income per share, basic and diluted | $ (0.07) to $ (0.03) | $ 0.05 to $ 0.16   |

| Weighted average shares used in GAAP per share calculation, basic and diluted | 58.8 | 58.9 |
| Weighted average shares used in non-GAAP per share calculation:                |      |      |
| Basic                                                                       | 58.8 | 58.9 |
| Diluted                                                                     | 58.8 | 60.9 |
# GAAP to Non-GAAP Guidance Reconciliations: Full Year 2022

## Reconciliation of net cash provided by operating activities to free cash flow:

<table>
<thead>
<tr>
<th></th>
<th>Full-Year 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by operating activities</td>
<td>$80 to $85</td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(25) to (25)</td>
</tr>
<tr>
<td>Capitalized internal-use software costs</td>
<td>(15) to (15)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$40 to $45</td>
</tr>
</tbody>
</table>
Annualized Recurring Revenue (ARR)

• Annualized Recurring Revenue (ARR) is defined as the annual value of all recurring revenue related to contracts in place at the end of the period. ARR should be viewed independently of revenue and deferred revenue as ARR is an operating metric and is not intended to be combined with or replace these items. ARR is not a forecast of future revenue and can be impacted by contract start and end dates and renewal rates, and does not include revenue reported as perpetual license or professional services revenue in our consolidated statement of operations.

Recurring Revenue

• Recurring revenue is defined as revenue from the sale of term software licenses, content subscriptions, managed services, cloud-based subscriptions and maintenance and support calculated as % of total revenue.

Customer

• A Customer is defined as any entity that has an active recurring revenue contract as of the specified measurement date, excluding InsightOps and Logentries only customers with a contract value less than $2,400 per year.

ARR per Customer

• ARR per Customer is defined as ARR divided by the number of Customers at the end of the period.

Non-GAAP metrics

• Non-GAAP gross margins represent the GAAP gross profit, excluding stock-based compensation expense and amortization of acquired intangible assets calculated as a % of revenue. See GAAP to Non-GAAP reconciliation.

• Operating expenses and operating income margin presented are on a non-GAAP basis and exclude stock-based compensation expense, amortization of acquired intangible assets, and certain other items such as acquisition-related expenses and litigation-related expenses.

• Free cash flow is defined as net cash flow provided by (used in) operations less purchases of property and equipment and capitalization of internal-use software costs.

Guidance

• Guidance for the second quarter and full-year 2022 does not include any potential impact of foreign exchange gains or losses.

• Non-GAAP guidance excludes estimates for stock-based compensation expense, amortization of acquired intangible assets, amortization of debt issuance costs and certain other items. A reconciliation of non-GAAP guidance measures to the most comparable GAAP measures is provided in the financial statement tables included in these End Notes. The reconciliation does not reflect any items that are unknown at this time, such as litigation-related expenses for the second quarter and full-year 2022, which we are not able to predict without unreasonable effort due to their inherent uncertainty.