

Q4 FY'23 Earnings Results

MAY 2, 2023

Forward Looking Statements

This presentation contains forward-looking statements regarding future events or the expected financial performance of our company, including statements about our outlook for future periods and related guidance. These statements reflect management's current expectations, estimates and assumptions based on the information currently available to us. These forward-looking statements are not guarantees of future performance and involve significant risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from results, performance or achievements expressed or implied by the forward-looking statements contained in this presentation.

A discussion of factors that may affect future results is contained in our most recent SEC Form 10-Q and 10-K filings available at www.sec.gov, including descriptions of the risk factors that may impact us and the forward-looking statements made in this presentation. We disclaim any obligation to update or revise any forward-looking statement based on new information, future events or otherwise, except as required by applicable law.



GAAP to Non-GAAP Presentation

In addition to financial information prepared in accordance with U.S. GAAP, this presentation also contains adjusted financial measures that we believe provide investors and management with supplemental information relating to operating performance and trends that facilitate comparisons between periods and with respect to projected information. These adjusted financial measures are non-GAAP and should be considered in addition to, but not as a substitute for, the information prepared in accordance with U.S. GAAP. We typically exclude certain GAAP items that management does not believe affect our basic operations and that do not meet the GAAP definition of unusual or non-recurring items. Other companies may define these measures in different ways.

Further information relevant to the interpretation of adjusted financial measures, and reconciliations of these adjusted financial measures for historical data to the most comparable GAAP measures, may be found on Commvault's website at www.Commvault.com in the "Investor Relations" section. For additional information, please see the appendix of this presentation.

This presentation includes market data and other statistical information from third party sources, including independent industry publications and other published independent sources. Although we believe that these third-party sources are reliable as of their respective dates, we have not independently verified the accuracy or completeness of this information.



Data is everywhere

(And harder to protect than ever before)

More clouds.
More SaaS apps.
More locations.
More devices.
More threats.
More global instability.

And it's only accelerating.

Hybrid
World
Complexity

Natural
Disasters

Regulatory
Landscape

Ransomware

Operational
Resilience

Our modern approach to data protection is built for a challenging world.

Data, Secured.

Commvault protects data *better*
Proactively detects and diverts attacks

Data, Defended.

Commvault detects threats *faster*
Real time visibility into cyber risks

Data, Recovered.

Commvault recovers *completely*
Predictable resilience and rapid recovery
of immutable, trusted data

Commvault is the only unified solution that delivers modern data protection for the hybrid enterprise.

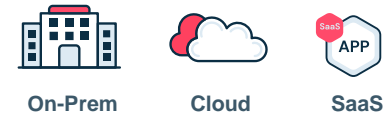
Any workload



Any form factor



Any location



5X lower TCO
than the next
closest vendor

Telefonica

Spectrum

DataAction

L.L.Bean

ACE Hardware

ALDO GROUP

DOW JONES

DenizBank

JD.COM

DDA Digital Distribution Australia

evolutio

orange

sunlighten

PRINCESS AUTO

مجموعة جمعة الماجد الطابخة في دمج
Juma Al Majid Holding Group LLC

BLACKHAWK NETWORK

BARON CAPITAL

australianethical

SONY

HarperCollinsPublishers

2

adidas

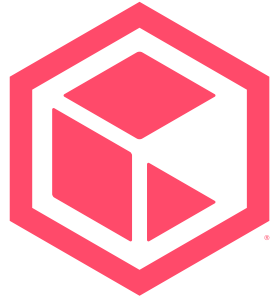
HERBALIFE NUTRITION

OLYMP

CORNWALL CAPITAL

ARVEST

HAREL



100,000

of the world's leading organizations depend on Commvault to secure, defend, and recover their data.



NEW HAMPSHIRE HOUSING

MERCK

BOSTON MEDICAL
EXCEPTIONAL CARE. WITHOUT EXCEPTION.

Canadian Institute for Health Information
Institut canadien d'information sur la santé

Adobe

apex

CALIBRE
Our Success Follows Yours

DataDimensions

NEVADA DOT
SAFE AND CONNECTED

РЕПУБЛИКА СРБИЈА
Министарство
заштите животне средине
REPUBLIC OF SERBIA
Ministry of
Environmental Protection

City of Sparks
It's Happening Here!

NHS
Chesterfield Royal Hospital
NHS Foundation Trust

AstraZeneca

Cochlear

KINETTIX
GLOBAL FIELD TECHS

TIVO

IHS Markit

NEC
NEC Solution Innovators, Ltd.

UCONN HEALTH

DENVER HEALTH
FOUNDATION

Allina Health

Panasonic

DOMINION

NTT DATA

QORVO

Commvault Investment Thesis

Data protection and security are **mission-critical IT spending priorities**

Leading technology provider with unrivaled depth and breadth of platform

Large and **growing installed base** of customers

Rocketship SaaS offering in a dynamic growth market

Profitable recurring revenue model with room for **margin expansion**

Strong **Free Cash Flow** and robust **capital return** program



Q4 FY'23 Financial Summary

Q4 FY'23 Financial Summary (unaudited, \$ in M's)

	Q4'23 GUIDANCE	Q4'23 ACTUAL
ARR	n/a	\$668.4
Subscription & SaaS ARR	n/a	\$477.1
Software Revenue	\$89.5	\$90.2
Total Revenue	\$197.0	\$203.5
Non-GAAP Gross Margin	82.0%	83.4%
Non-GAAP EBIT Margin	19.0%	22.3%
Free Cash Flow	n/a	\$66.8
Share Repurchases	n/a	\$60.8

Refer to slide 24 for definition of Annual Recurring Revenue ("ARR").

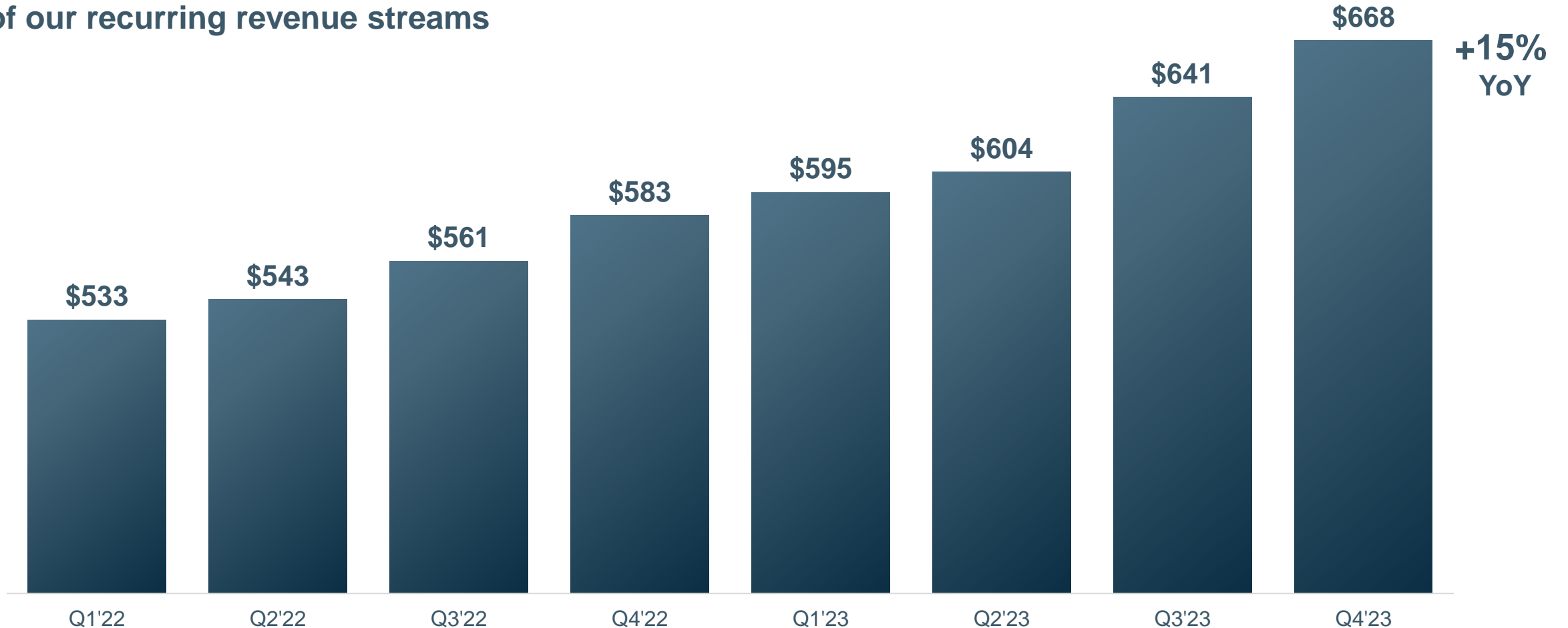
Non-GAAP EBIT, Non-GAAP Gross Margin and free cash flow should be considered as a supplement to, and not as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of non-GAAP measures to their most directly comparable GAAP financial measures. Refer to slide 32 in this presentation for a reconciliation of these measures.



Q4 FY'23 Key Financial Metrics

Total ARR (\$ in M's)

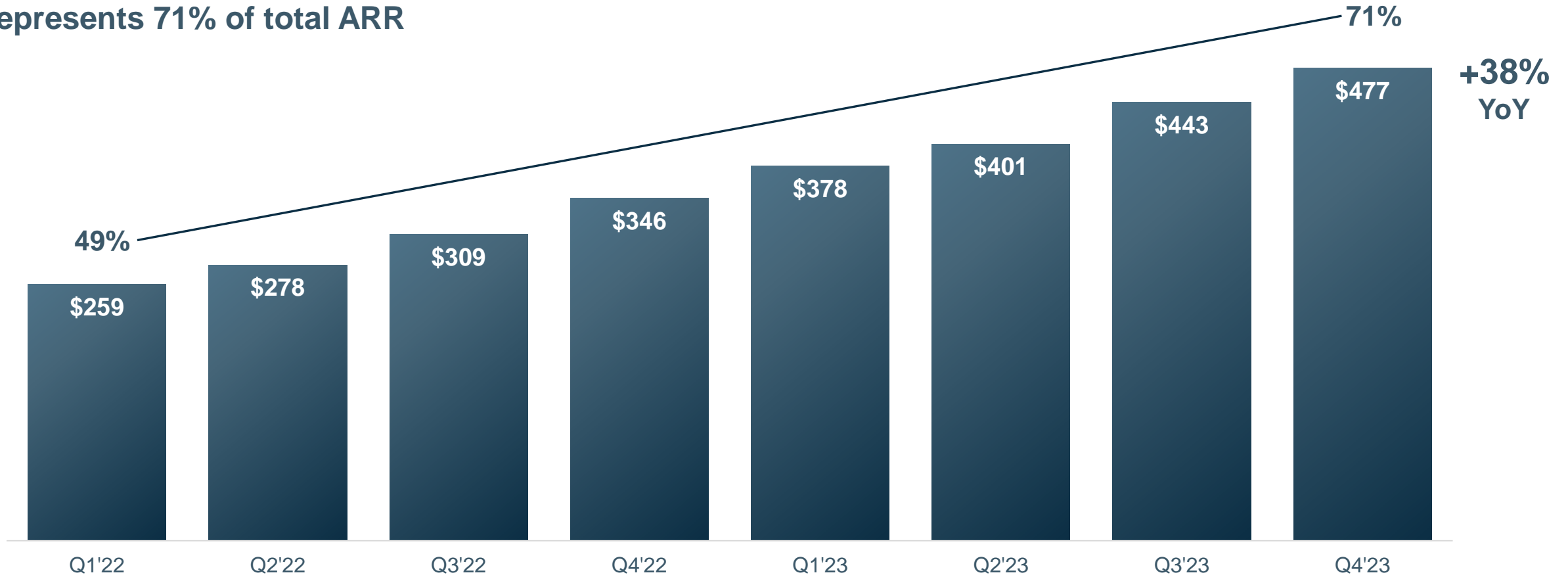
ARR is a good indicator of the growth of our recurring revenue streams



Subscription ARR (\$ in M's)

Includes term-based subscription licenses and SaaS

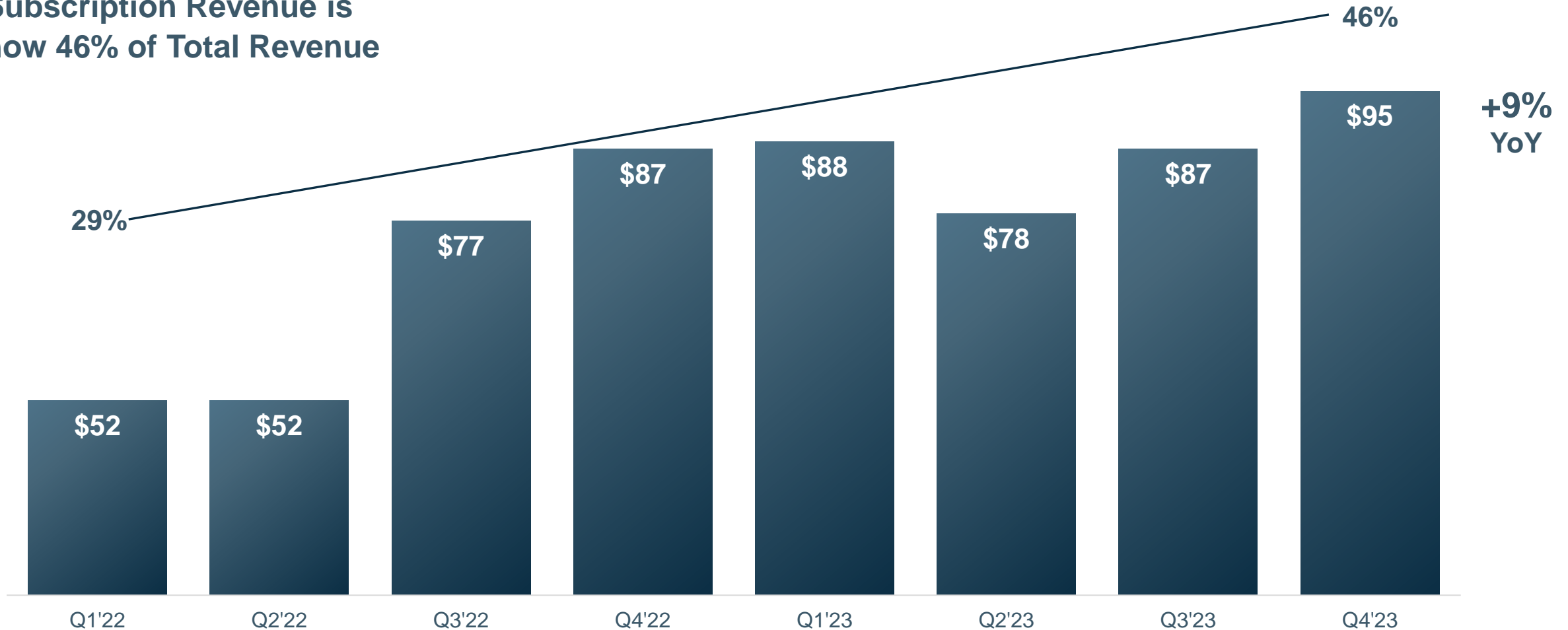
Our Subscription business now represents 71% of total ARR



Subscription Revenue (unaudited, \$ in M's)

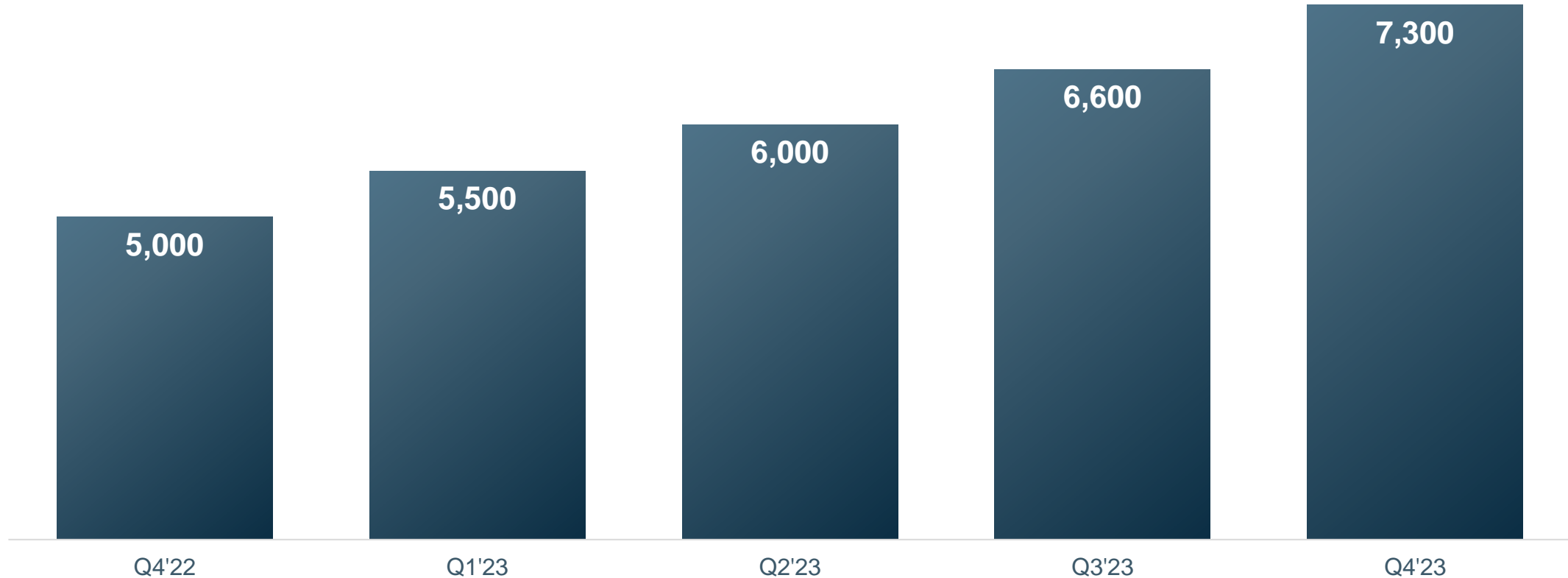
Includes software portion of term-based licenses and SaaS revenue

Subscription Revenue is now 46% of Total Revenue



Healthy Subscription Customer Growth

Customers are embracing Subscription offerings which now represent ~50% of our base

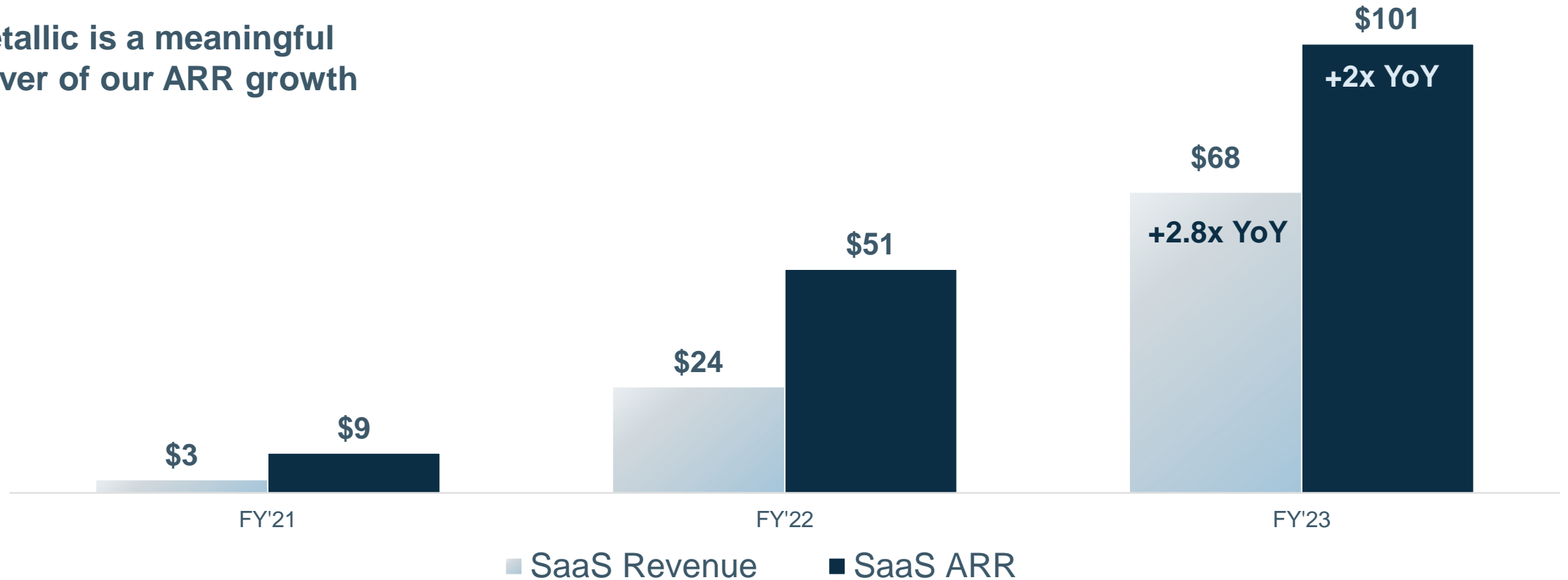




**We built
a >\$100M ARR
SaaS offering
in only
three years**

We Just Started Taking Our Share (unaudited, \$ in M's)

Metallic is a meaningful driver of our ARR growth





Metallic drives higher customer value

**Metallic is a customer acquisition
and expansion engine**

125%

**Net Dollar
Retention Rate**

~70%

**Customers are new
to Commvault**

~30%

**Customers use
multiple Metallic
offerings**

~40%

**Customers have
Metallic + Commvault**

~25%

Enterprise* Customers

Customer data specific to fiscal Q4 FY'23.

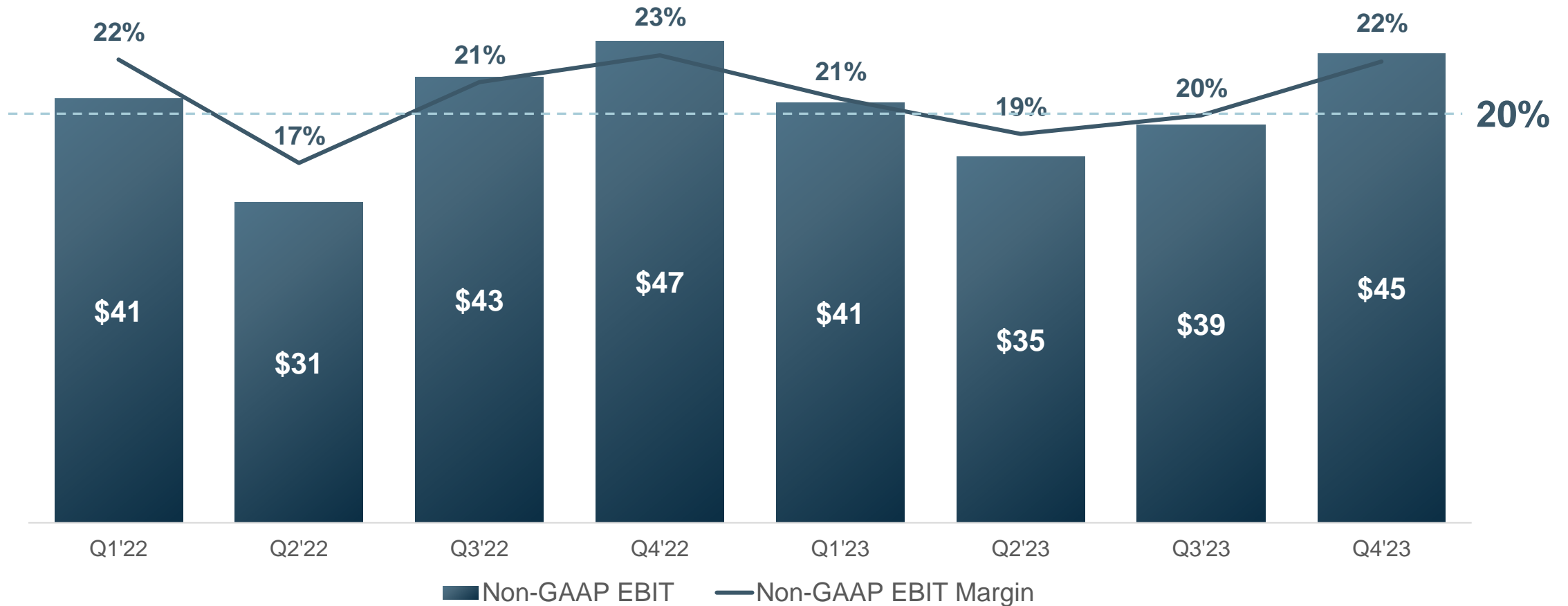
Metallic customer count includes end-users transacted by a Managed Service Provider (MSP).

*Enterprise is defined as organizations with 1,000+ employees.

Earnings & Cash Flow Metrics

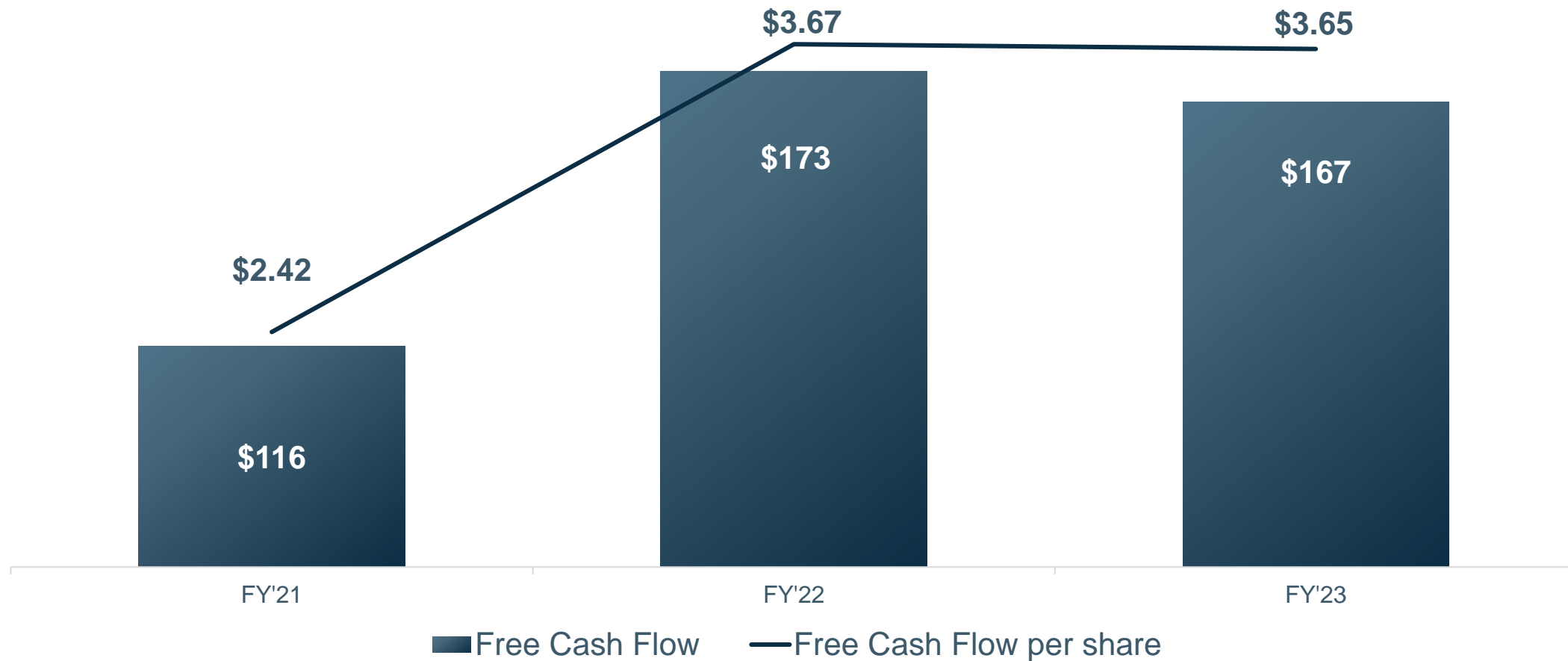
Non-GAAP EBIT & Margin (unaudited, \$ in M's)

Expense discipline to drive >20% Non-GAAP EBIT margin over time as Metallic scales

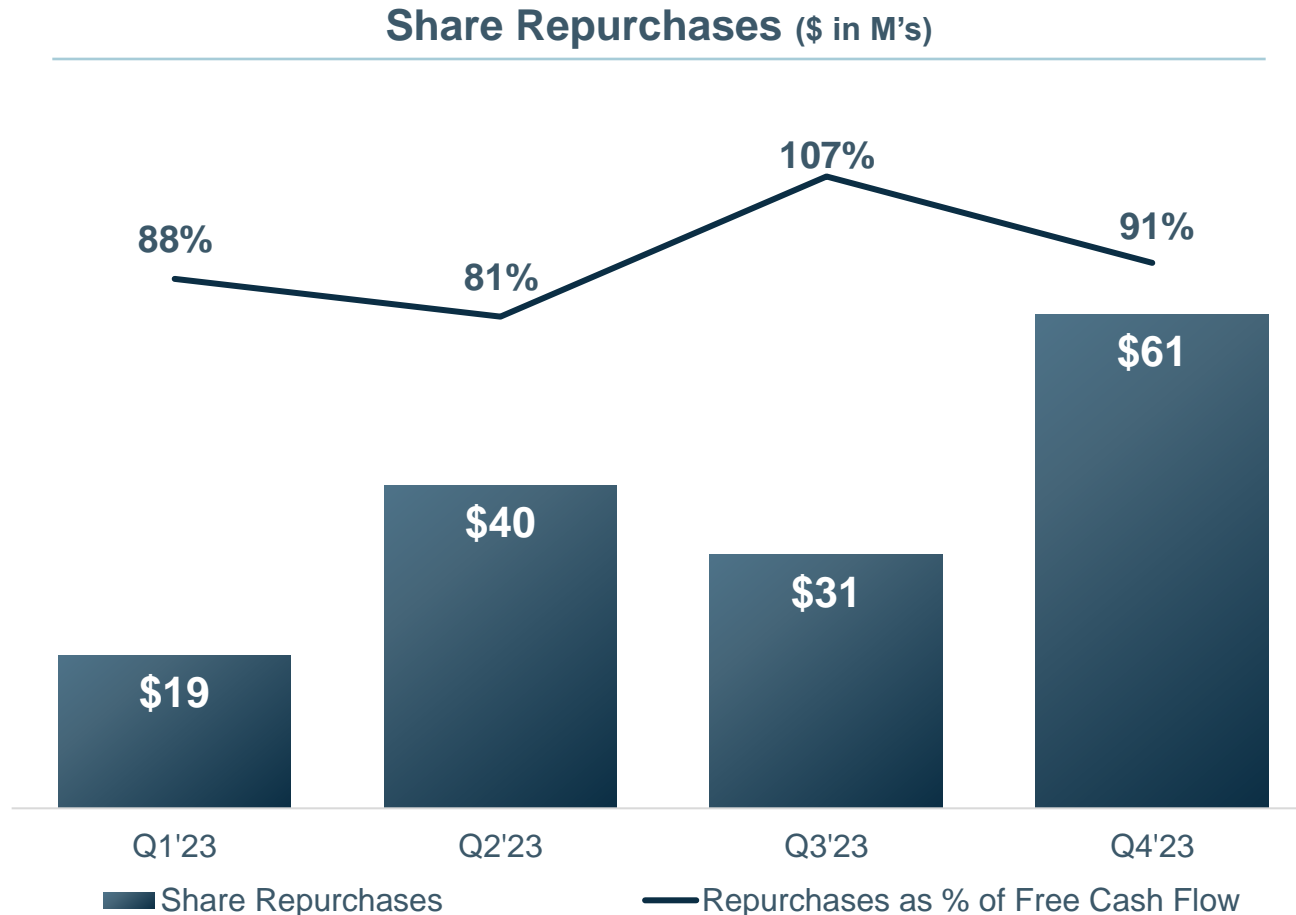


Healthy Free Cash Flow (\$ in M's, except per share data)

Free cash flow supports share repurchases



Consistent Capital Return (\$ in M's)



- Repurchased \$151M of stock in FY'23 representing 90% of full year Free Cash Flow (FCF)
- Continue to prioritize share repurchases as primary use of FCF
- April 2023 - Board approved share repurchase authorization for up to \$250M
- Plan to continue practice of >75% of FY'24 FCF toward share repurchases



P&L Recast

Key Definitions

Beginning in fiscal 2024, Commvault will transition the reporting of revenue and costs of revenue. The software and services lines on the Statement of Operations (P&L) lines will be recast to the following categories:

P&L Line	Definition
Subscription	Software portion of term-based licenses and software as-a-service offerings (SaaS). The software component of term-based licenses is typically recognized when the software is delivered or made available for download. For SaaS offerings, revenue is generally recognized ratably over the contract term beginning on the date that the service is made available to the customer.
Perpetual License	Perpetual software licenses which are typically recognized when the software is delivered or made available for download.
Customer Support	Software updates on a when-and-if-available basis, telephone and web-based support for both term-based and perpetual software license arrangements. Customer support revenues for term-based software licenses and perpetual software license arrangements are recognized ratably over the term of the customer support agreement.
Other Services	Primarily related to professional service offerings including consultation, assessment and design, installation services, and customer education. Revenues related to other services are typically recognized as the services are performed.

Other Financial Metrics

Annual Recurring Revenue (ARR) ARR is the annualized recurring value of all active revenue contracts at the end of a reporting period. It includes the following contract types: term-based subscription agreements, SaaS contracts, customer support contracts related to perpetual licenses, enhanced customer support contracts (enterprise support), and managed services. It excludes any element of the arrangement that is not expected to recur, primarily perpetual licenses and most professional service offerings. Contracts are annualized by dividing the total contract value by the number of days in the contract term, then multiplying by 365.

ARR should be viewed independently of GAAP revenue, deferred revenue and unbilled revenue and is not intended to be combined with or to replace those items. ARR is not a forecast of future revenue. Management believes that reviewing this metric, in addition to GAAP results, helps investors and financial analysts understand the value of Commvault's recurring revenue streams.

Recast P&L – FY'23 (unaudited, \$ in M's)

The table below reconciles our FY'23 reported P&L revenue line items to the new P&L revenue line items

	Current P&L Revenue Format	Customer Support	Subscription Software	Perpetual Software	SaaS	Other Services	Total
SW & Products Revenue	\$355		(\$280)	(\$75)			
Subscription			+\$280		+\$68		\$348
Perpetual license				+\$75			\$75
Services	\$430	(\$314)			(\$68)	(\$48)	
Customer Support		+\$314					\$314
Other Services						+\$48	\$48
Total Revenue	\$785						\$785

Effective Q1 FY'24, the P&L will be changed to the line items outlined above and all prior periods presented on a comparable basis.

Slide 26 contains the recast revenue and cost of revenue lines for all fiscal quarters of FY'22 and FY'23.



Recast Revenue and Cost of Revenue (unaudited, \$ in thousands)

	Q1'22	Q2'22	Q3'22	Q4'22	FY'22	Q1'23	Q2'23	Q3'23	Q4'23	FY'23
Revenue										
Subscription	\$52,383	\$52,059	\$77,001	\$86,916	\$268,359	\$87,628	\$78,239	\$87,380	\$94,537	\$347,784
Perpetual License	32,644	27,656	28,172	23,385	111,857	17,798	19,831	19,728	17,561	74,918
Customer Support	88,969	87,453	86,007	84,686	347,115	81,317	77,996	77,665	77,335	314,313
Other Services	9,425	10,672	11,201	10,962	42,260	11,238	11,991	10,301	14,045	47,575
Total	\$183,421	\$177,840	\$202,381	\$205,949	\$769,591	\$197,981	\$188,057	\$195,074	\$203,478	\$784,590

	Q1'22	Q2'22	Q3'22	Q4'22	FY'22	Q1'23	Q2'23	Q3'23	Q4'23	FY'23
Cost of Revenue										
Subscription	\$3,731	\$4,844	\$7,116	\$8,887	\$24,578	\$10,985	\$8,893	\$11,682	\$12,922	\$44,482
Perpetual License	946	1,450	1,123	1,044	4,563	626	656	638	519	2,439
Customer Support	13,107	12,807	14,121	14,684	54,719	15,033	15,423	14,611	13,206	58,273
Other Services	7,491	7,473	7,603	7,432	29,999	7,113	7,330	7,607	8,158	30,208
Total	\$25,275	\$26,574	\$29,963	\$32,047	\$113,859	\$33,757	\$32,302	\$34,538	\$34,805	\$135,402



Q1 & Full year FY'24 Guidance

KPIs

Annual Recurring Revenue (ARR)

Subscription ARR

Total Revenue

Subscription Revenue

Non-GAAP EBIT Margin

Free Cash Flow



Q1 and FY'24 Guidance (\$ in M's)

	Q1'24 GUIDANCE	FY'24 GUIDANCE
Total ARR		13% YoY
Subscription ARR		27% YoY
Total Revenue	\$195 - \$199	\$805 - \$815
Subscription Revenue	\$95 - \$98	\$420 - \$430
Non-GAAP Gross Margin	82.5%	82 - 83%
Non-GAAP EBIT Margin	20.0%	+50 - 100 bps YoY
Free Cash Flow (FCF)		\$170
Share Repurchases		> 75% of FCF

Fiscal Q1 and full year FY'24 guidance is based on current foreign exchange rates May 1, 2023. Changes in exchange rates could materially impact our current outlook.

Refer to slide 24 for definition of Annual Recurring Revenue ("ARR"). Non-GAAP EBIT, Non-GAAP Gross Margin and free cash flow should be considered as a supplement to, and not as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of non-GAAP measures to their most directly comparable GAAP financial measures. Refer to slide 33 in this presentation for a reconciliation of these measures.



Commvault Investment Thesis

Data protection and security are **mission-critical IT spending priorities**

Leading technology provider with unrivaled depth and breadth of platform

Large and **growing installed base** of customers

Rocketship SaaS offering in a dynamic growth market

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Appendix

GAAP to Non-GAAP Reconciliations (unaudited, \$ in thousands)

	Q1'22	Q2'22	Q3'22	Q4'22	FY'22	Q1'23	Q2'23	Q3'23	Q4'23	FY'23
Non-GAAP financial measures and reconciliation:										
GAAP income (loss) from operations	\$15,494	\$2,266	\$12,361	\$11,445	\$41,566	\$7,449	\$9,313	\$5,018	\$(37,665)	\$(15,885)
Noncash stock-based compensation	21,689	26,199	28,533	27,033	103,454	29,808	25,327	23,626	24,378	103,139
FICA and payroll tax expense related to stock-based compensation	963	495	812	991	3,261	910	425	327	803	2,465
Restructuring	1,446	636	-	4,110	6,192	2,132	-	9,228	4,092	15,452
Amortization of intangible assets	-	-	-	208	208	314	312	312	312	1,250
Headquarters impairment	-	-	-	-	-	-	-	-	53,481	53,481
Hedvig deferred payments	1,406	1,405	1,406	1,405	5,622	-	-	-	-	-
Acquisition costs	-	-	-	1,379	1,379	-	-	-	-	-
Non-GAAP income from operations	\$40,998	\$31,001	\$43,112	\$46,571	\$161,682	\$40,613	\$35,377	\$38,511	\$45,401	\$159,902
Non-GAAP free cash flow reconciliation:										
Net cash provided by operating activity	\$37,211	\$26,059	\$26,794	\$87,116	\$177,180	\$22,433	\$49,844	\$30,178	\$67,833	\$170,288
Capital expenditures	(1,442)	(551)	(1,335)	(583)	(3,911)	(867)	(514)	(805)	(1,055)	(3,241)
Free cash flow (Non-GAAP)	\$35,769	\$25,508	\$25,459	\$86,533	\$173,269	\$21,566	\$49,330	\$29,373	\$66,778	\$167,047

Q4'23

Non-GAAP gross margin reconciliation:

GAAP gross margin \$168,673

Cost of services noncash stock-based compensation 935

Non-GAAP gross margin \$169,608

All non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of non-GAAP measures to their most directly comparable GAAP financial measures.