

Commvault Fiscal Q1'25 Earnings Results

JULY 2024

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. Commvault does not provide forward-looking guidance on a GAAP basis as certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated.

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.

The world has changed.

Cyber threats are here to stay – it's not IF, it's WHEN.



Ransomware everywhere — including the backup.

99% of ransomware tampers with security and backup infrastructure.



Exponential hybrid chaos.

Over 90% of organizations report cyber resiliency is impacted by fractured tools.



The AI paradigm shift: New opportunity, new threats.

85% of security professionals cite AI as driving force of increased cyber attacks.

Commvault Cloud is the new standard for cyber resilience.

The best security

Unify security across all your hybrid data in one powerful cloud.

The most intelligence

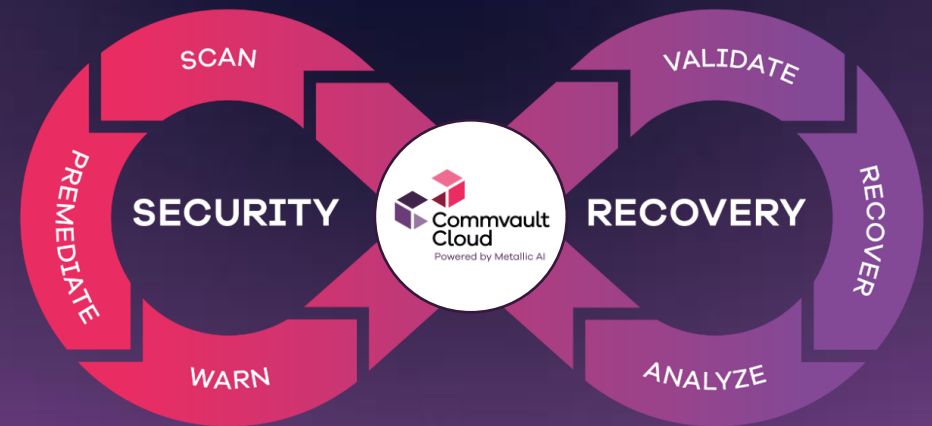
Deploy advanced AI capabilities to strengthen and speed resilience.

The fastest recovery

Accelerate rapid, clean recovery at enterprise scale.

The lowest TCO

Dramatically reduce costs by consolidating and capturing massive efficiency.



Commvault Investment Thesis

+78%

Cyber Resilience
Spending

3,205 Breaches in 2023¹ | +78% YoY

5 EB CLOUD DATA
PROTECTED²

Modern Innovation
Leader

1,000+ Active Patents | Gartner MQ Leader 12 Years
Running | Safeguard 5 EB of Cloud Data | FedRAMP High
Certification

+17%

Durable
Growth

Total ARR +17% YoY³

+66%

Rocketship
SaaS

\$188M SaaS ARR | +66% YoY³

21.5%

Consistent
Profitability

21.5% Non-GAAP EBIT Margin³

9,900

Large Subscription
Customer Base

+27% Growth YoY³

¹ According to the Identity Theft Resource Center 2023 Annual Data Breach Report, January 25, 2024

² As of July 30, 2024

³ As of Fiscal Q1'25 ended June 30, 2024

Q1'25 Financial Summary

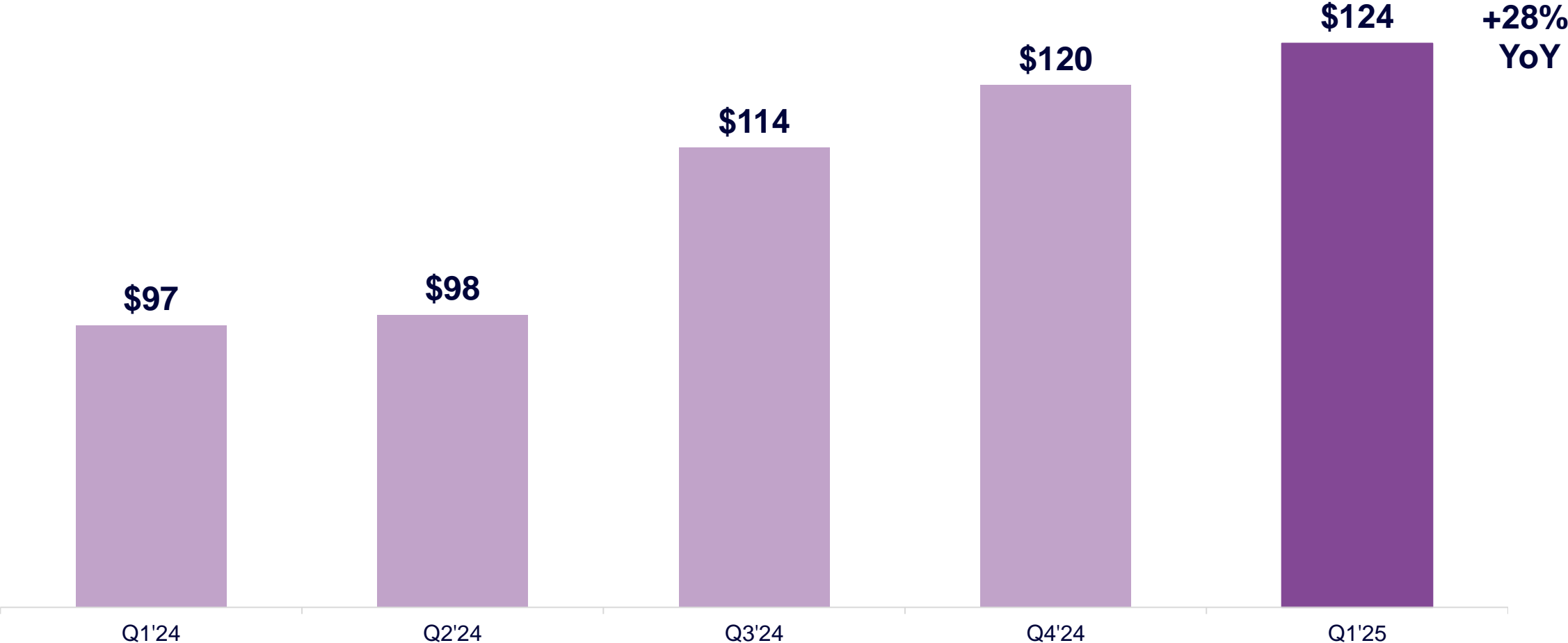
Q1 FY'25 Financial Summary (unaudited, \$ in M's)

	Q1'25 GUIDANCE	Q1'25 ACTUAL	YoY Change
Total Revenue	\$213 - \$216 (+8% YoY at midpoint)	\$225	+13%
Subscription Revenue	\$116 - \$119 (+21% YoY at midpoint)	\$124	+28%
Non-GAAP Gross Margin	81% - 82%	83%	+10 bps
Non-GAAP EBIT Margin	18% - 19%	21.5%	(50) bps
Free Cash Flow (FCF)	n/a	\$44	+16%
Share Repurchases	n/a	\$51	n/a

Subscription Revenue

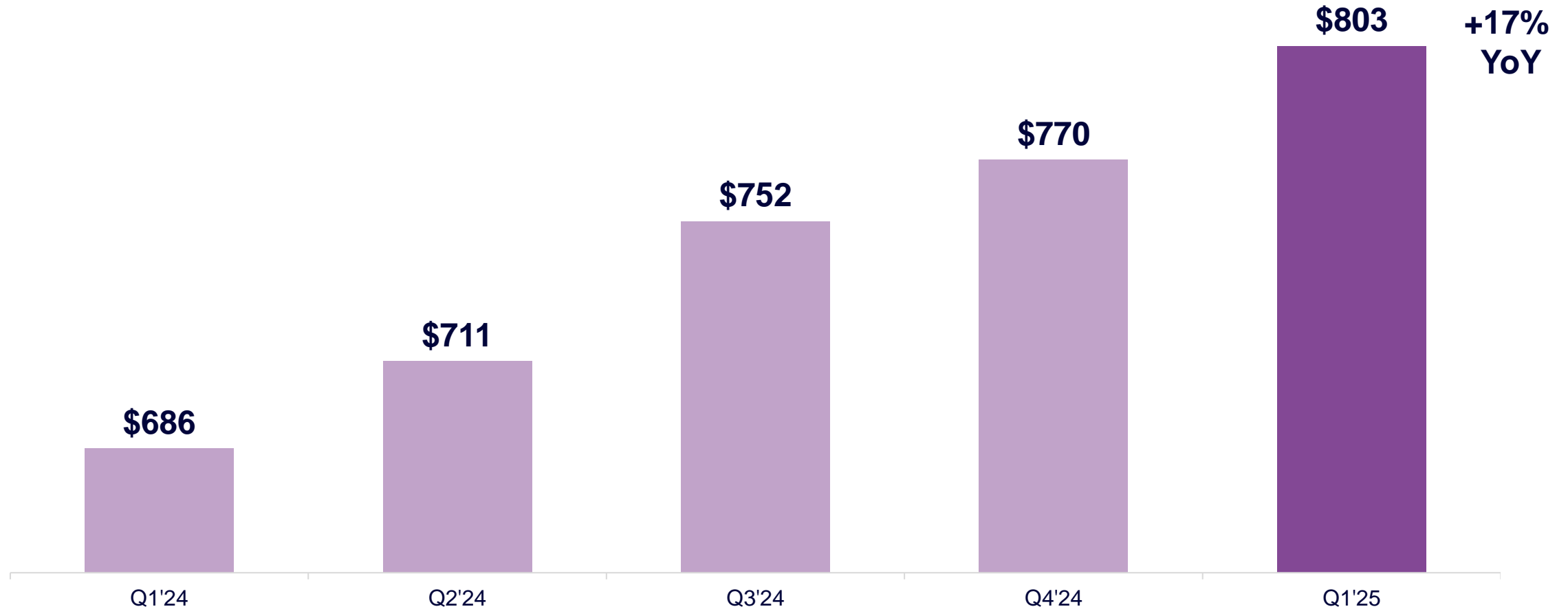
(unaudited, \$ in M's) Includes software portion of term-based licenses and SaaS revenue

ACCELERATING GROWTH OF OUR SUBSCRIPTION REVENUE BASE



Total ARR (\$ in M's)

ARR IS A GOOD INDICATOR OF THE GROWTH OF OUR RECURRING REVENUE STREAMS

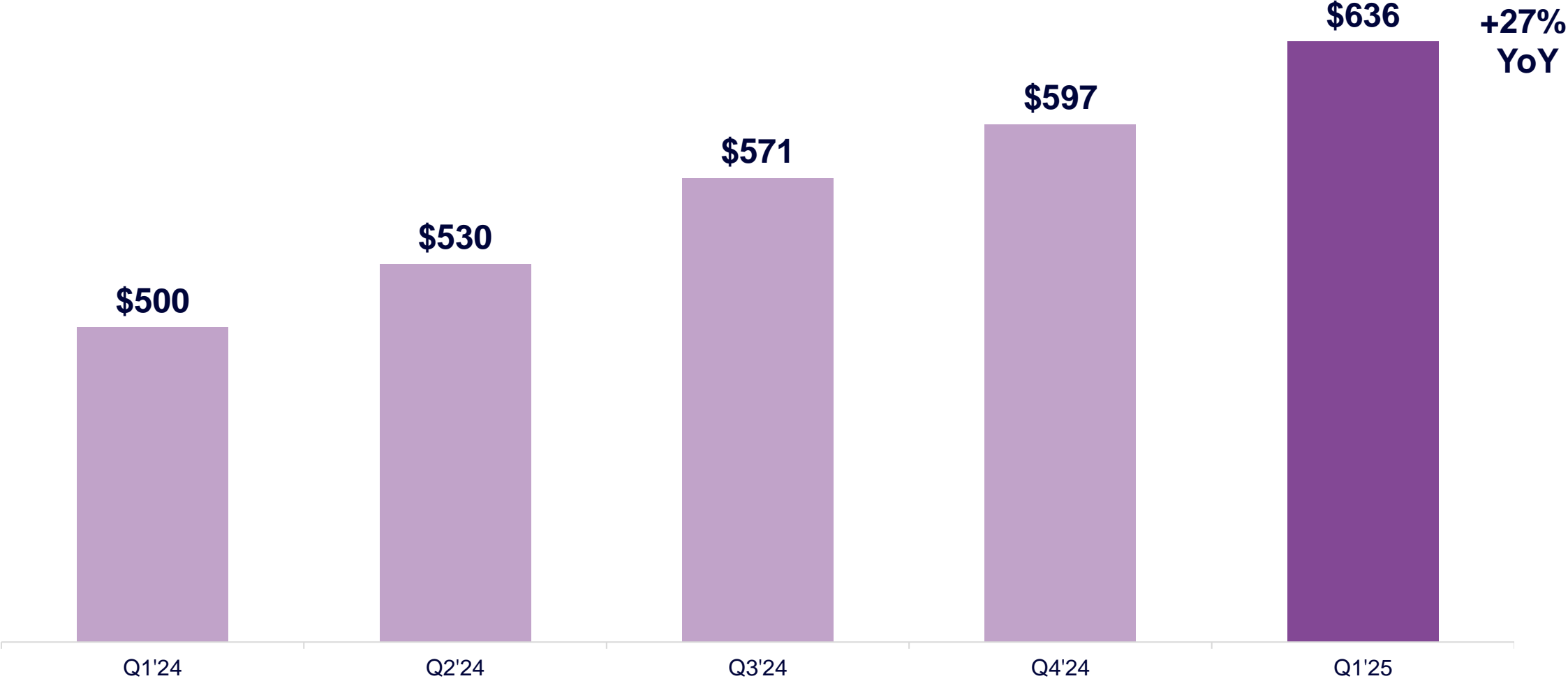


Refer to slide 24 for key definitions.

ARR is a non-GAAP measure and 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 measure, to the extent available, on slide 25 in this presentation.

Subscription ARR (\$ in M's)

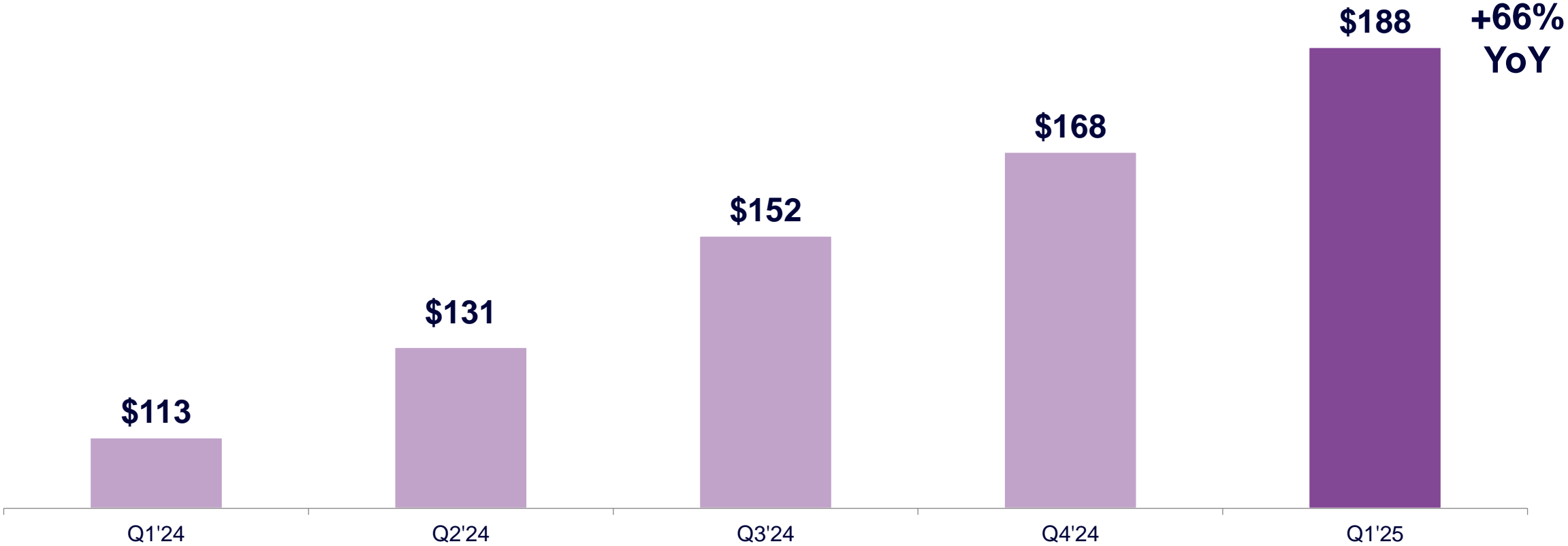
INCLUDES TERM-BASED SUBSCRIPTION LICENSES AND SAAS



Refer to slide 24 for key definitions.
Subscription ARR is a non-GAAP measure and 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 measure, to the extent available, on slide 25 in this presentation.

SaaS ARR (\$ in M's)

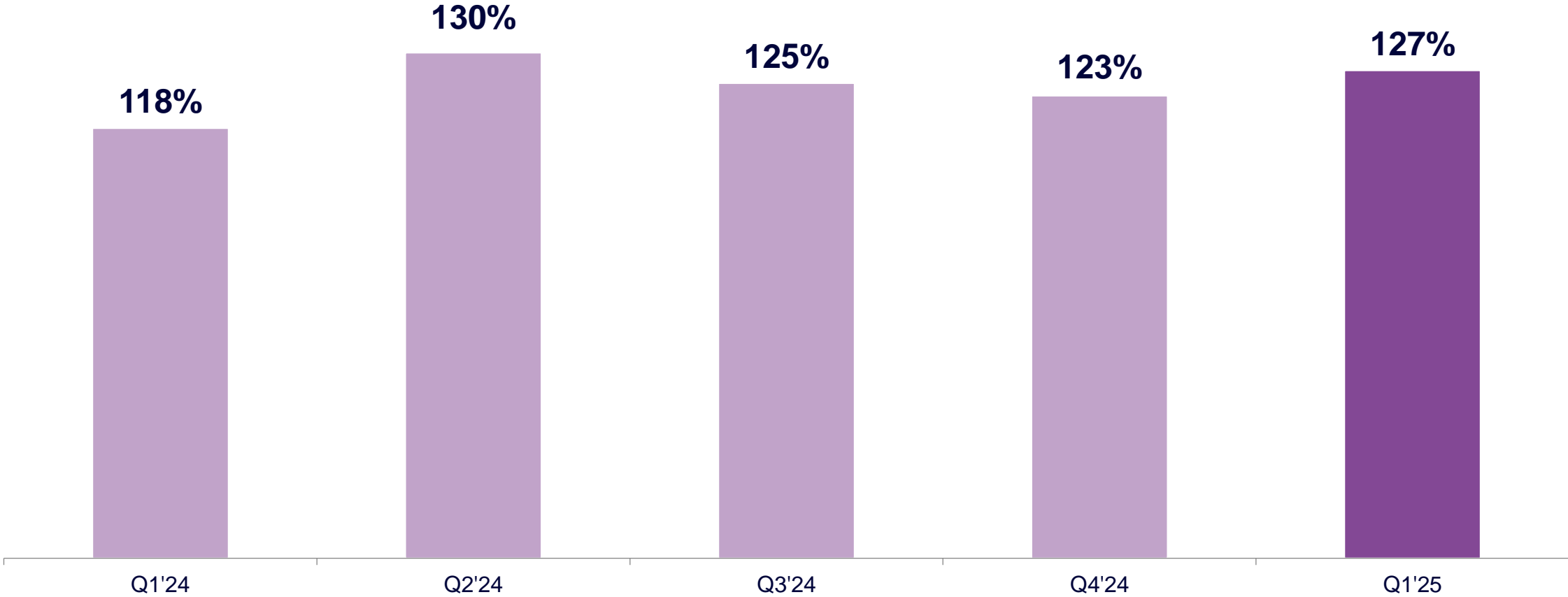
EXPLOSIVE SAAS BUSINESS DRIVES TOTAL ARR GROWTH



Refer to slide 24 for key definitions.
SaaS ARR is a Non-GAAP measure and 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 measure, to the extent available, on slide 25 in this presentation.

SaaS Net Dollar Retention Rate (NRR)

SAAS DRIVES MEANINGFUL CUSTOMER EXPANSION

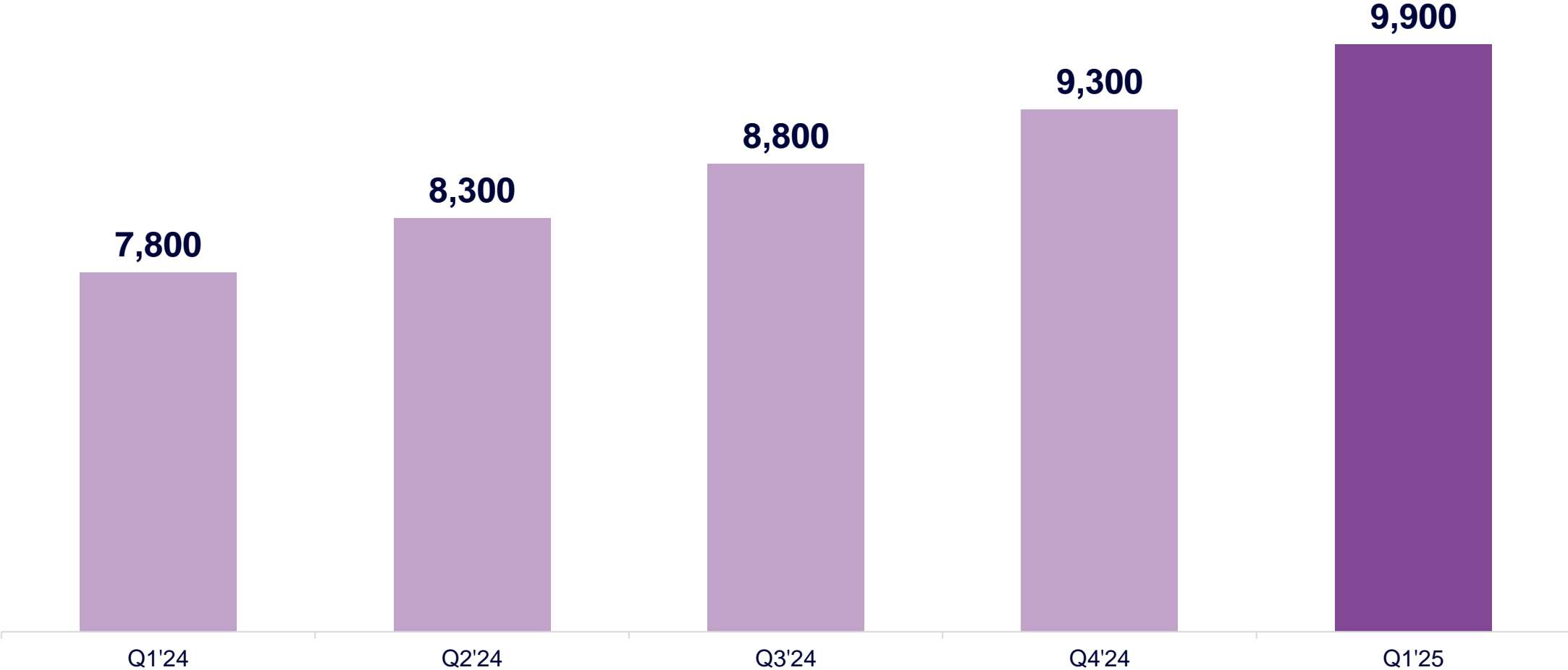


Refer to slide 24 for key definitions.

SaaS NRR is a Non-GAAP measure and 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 measure, to the extent available, on slide 25 in this presentation.

Subscription Customer Growth

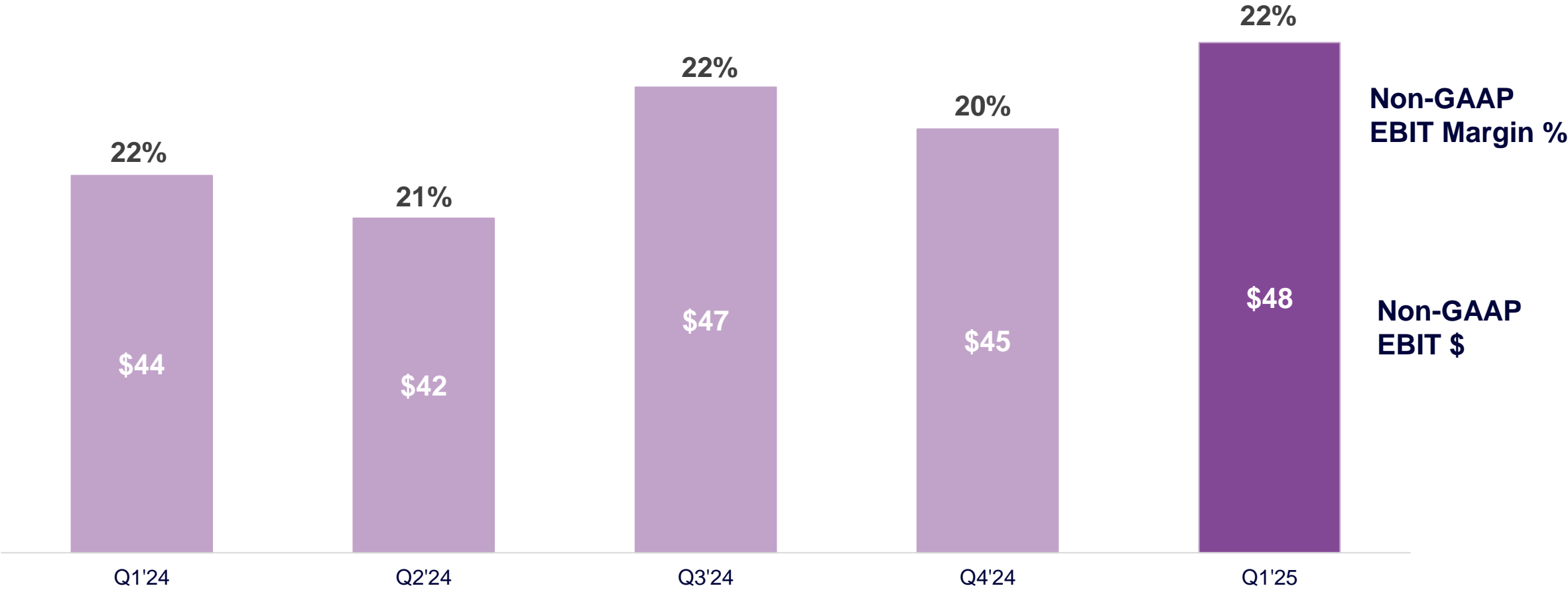
CUSTOMERS ARE EMBRACING SUBSCRIPTION OFFERINGS WHICH NOW REPRESENT 65% OF OUR BASE



Earnings & Cash Flow Metrics

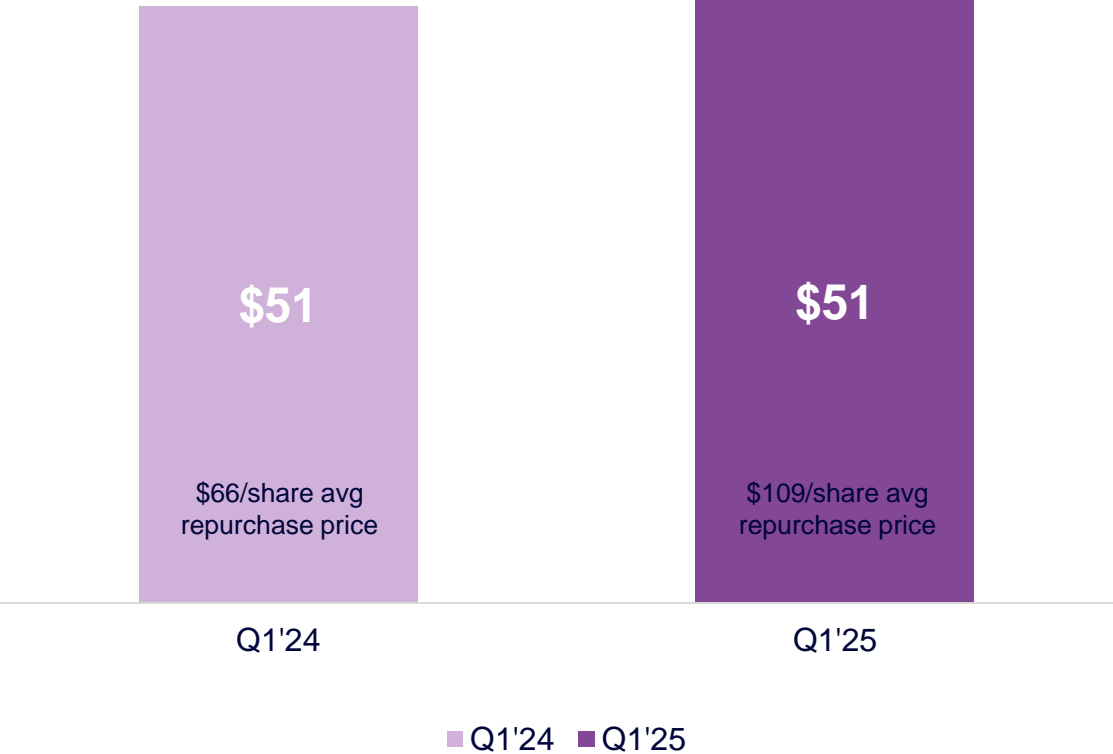
Non-GAAP EBIT and Margin % (unaudited, \$ in M's)

EXPENSE DISCIPLINE DRIVING CONSISTENT 20%+ NON-GAAP EBIT MARGIN EVEN AS SAAS SCALES



Consistent Capital Return (unaudited, \$ in M's)

Share Repurchases



- Repurchased \$51M of stock in Q1'25 representing 117% of Free Cash Flow (FCF)
- \$205M remaining on share repurchase authorization
- Plan to continue practice of >75% of FY'25 FCF toward share repurchases

Primary KPIs

KPIs

- **Annual Recurring Revenue (ARR)**
- **Subscription ARR**
- **Total Revenue**
- **Subscription Revenue**
- **Non-GAAP EBIT Margin**
- **Free Cash Flow**



Q2 & Full Year FY'25 Guidance

Q2 and FY'25 Guidance (unaudited, \$ in M's)

	Q2'25 GUIDANCE AS OF 7/30/24	FY'25 GUIDANCE AS OF 7/30/24	PRIOR FY'25 GUIDANCE AS OF 4/30/24
Total ARR		15% YoY	14% YoY
Subscription ARR		23% - 25% YoY	21% - 23% YoY
Total Revenue	\$218 - \$222 <small>(+9.5% YoY at midpoint)</small>	\$915 - \$925 <small>(+9.5% YoY at midpoint)</small>	\$904 - \$914 <small>(+8% YoY at midpoint)</small>
Subscription Revenue	\$120 - \$124 <small>(+25% YoY at midpoint)</small>	\$522 - \$527 <small>(+22% YoY at midpoint)</small>	\$514 - \$518 <small>(+20% YoY at midpoint)</small>
Non-GAAP Gross Margin	81% - 82%	81.5% - 82.5%	81.5% - 82.5%
Non-GAAP EBIT Margin	19% - 20%	20% - 21%	20% - 21%
Free Cash Flow (FCF)		\$200M	\$200
Share Repurchases		> 75% of FCF	> 75% of FCF

Fiscal Q2 and full year FY'25 guidance is based on current foreign exchange rates as of July 29, 2024. Changes in exchange rates could materially impact our current outlook.

Refer to slide 24 for key definitions. 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 measure, to the extent available, on slide 25 in this presentation.

Our Aspiration for FY'26

next 2 fiscal years



~90% Subscription
as % of Total ARR



30%+ of Total ARR

Appendix

Key Definitions

Item	Definition
Subscription Revenue	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.
Non-GAAP EBIT	Income or loss from operations adjusted to exclude noncash stock-based compensation charges and additional Federal Insurance Contribution Act (FICA) and related payroll tax expense incurred by Commvault when employees exercise in the money stock options or vest in restricted stock awards. This also excludes restructuring costs, noncash amortization of intangible assets, the headquarters impairment, litigation settlement, and business combination costs.
Non-GAAP Free Cash Flow	Free cash flow is derived from net cash provided by operations less purchases of property and equipment.
Annual Recurring Revenue (ARR)	<p>ARR is the annualized recurring value of all active contracts at the end of a reporting period. It includes the following contract types: subscription (including term licenses, SaaS and utility software), maintenance contracts related to perpetual licenses, other extended maintenance 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 services. Subscription ARR includes only term licenses, SaaS and utility software arrangements. Contracts are annualized by dividing the total contract value by the number of days in the contract term, then multiplying by 365.</p> <p>ARR is a non-GAAP measure and 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 versus prior periods. There is no direct GAAP comparative to ARR.</p>
SaaS Net Dollar Retention Rate (NRR)	<p>SaaS NRR is the percentage of SaaS ARR retained from existing customers at the start of an annual period after accounting for expansion revenue and churn or downgrades and is presented on a constant currency basis. For example, SaaS NRR for fiscal Q1'25 is the percentage of SaaS ARR as of June 30, 2024 for all customers compared to the SaaS ARR amount as of June 30, 2023 for those same customers.</p> <p>NRR is a non-GAAP measure and should be viewed independently of changes in GAAP revenue, deferred revenue and unbilled revenue and is not intended to be combined with or to replace those items. There is no direct GAAP comparative to NRR.</p>

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

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
Non-GAAP financial measures and reconciliation:					
GAAP income from operations	\$18,480	\$17,634	\$21,051	\$18,190	\$18,428
Noncash stock-based compensation	23,724	23,615	24,602	21,093	22,396
FICA and payroll tax expense related to stock-based compensation	1,014	471	727	1,073	1,363
Restructuring	-	-	-	4,548	4,679
Amortization of intangible assets	314	312	312	312	573
Litigation settlement	-	-	-	-	675
Business combination costs	-	-	-	-	189
Non-GAAP income from operations	\$43,532	\$42,032	\$46,692	\$45,216	\$48,303
Non-GAAP free cash flow reconciliation:					
Net cash provided by operating activity	\$39,037	\$40,337	\$44,439	\$79,985	\$44,692
Capital expenditures	(1,147)	(266)	(1,814)	(859)	(863)
Free cash flow (Non-GAAP)	\$37,890	\$40,071	\$42,625	\$79,126	\$43,829
Non-GAAP gross margin reconciliation:					
GAAP gross margin	82.1%	81.2%	82.0%	82.5%	82.3%
Cost of services noncash stock-based compensation	0.8%	0.8%	0.9%	0.7%	0.7%
Non-GAAP gross margin	82.9%	82.0%	82.9%	83.2%	83.0%

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, to the extent available. There is no direct GAAP comparative to ARR and NRR. Please refer to key definitions on slide 24.

Thank You