



# ACCELERATING THE INFINITE ENTERPRISE

With Acquisition of Infovista's SD-WAN Business



August 10, 2021

# Cautionary Statement on Financial Measures



## Non-GAAP Measures

*In preparing the accompanying information, the Company has excluded, where applicable, the impact of certain Non-GAAP costs as listed at the end of this presentation. The Company believes these Non-GAAP measures provide both management and investors with additional insight into its current operations, the trends affecting the Company and the Company's marketplace performance. Management believes these items allow readers to better correlate the Company's operating activities with the Company's ability to generate cash from operations. Accordingly, management uses these Non-GAAP measures along with comparable GAAP information when evaluating the Company's historical performance and future business activities. The Company's Non-GAAP measures may be different than those used by other companies and should be considered in conjunction with, and not as a substitute for, the Company's financial information presented in accordance with GAAP. Please refer to our press release dated August 10, 2021, which is posted under SEC Filings on the "Investor Relations" section of our website for the required reconciliation to the most comparable GAAP financial measures.*

## Cautionary Statement Regarding Forward-Looking Statements

*Certain statements in this communication may constitute "forward-looking statements". Forward-looking statements may be typically identified by such words as "may," "will," "could," "should," "expect," "anticipate," "plan," "likely," "believe," "estimate," "project," "intend," and other similar expressions. These forward-looking statements are subject to known and unknown risks and uncertainties that could cause our actual results to differ materially from the expectations expressed in the forward-looking statements. Although Extreme believes that the expectations reflected in the forward-looking statements are reasonable, any or all of such forward-looking statements may prove to be incorrect. Consequently, no forward-looking statements may be guaranteed and there can be no assurance that the actual results or developments anticipated by such forward looking statements will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Extreme or its respective businesses or operations.*

*This presentation contains forward-looking statements concerning the expected acquisition of Infovista's SD-WAN business. These forward-looking statements involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by these statements, including but not limited to: (1) uncertainties as to the timing of the consummation of the transaction; (2) risks that the proposed transaction disrupts the current plans and operations of Extreme; (3) the ability of Infovista to retain key personnel; (4) competitive responses to the proposed transaction; (5) unexpected costs, charges or expenses resulting from the transaction; and (6) the long-term impact on our balance sheet; and (7) Extreme's ability to achieve the growth prospects expected from the transaction, as well as delays, challenges and expenses associated with integrating Infovista with its existing businesses. We undertake no obligation to update these statements. For a detailed description of these risks and uncertainties please refer to our most recent reports on Form 10-K, Form 10-Q, and Form 8-K filed with the SEC.*

# Presenters



**ED MEYERCORD**

PRESIDENT AND CEO  
*Extreme Networks*



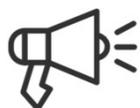
**NABIL BUKHARI**

CTO AND CPO  
*Extreme Networks*



**REMI THOMAS**

CFO  
*Extreme Networks*



## KEY HIGHLIGHTS

- Acquiring Infovista's Enterprise SD-WAN businesses, known as Ipanema
- Accelerates **Infinite Enterprise** with access to fast-growing SD-WAN market
- **Expands SaaS business** and recurring revenue with new ExtremeCloud apps



## TRANSACTION STRUCTURE

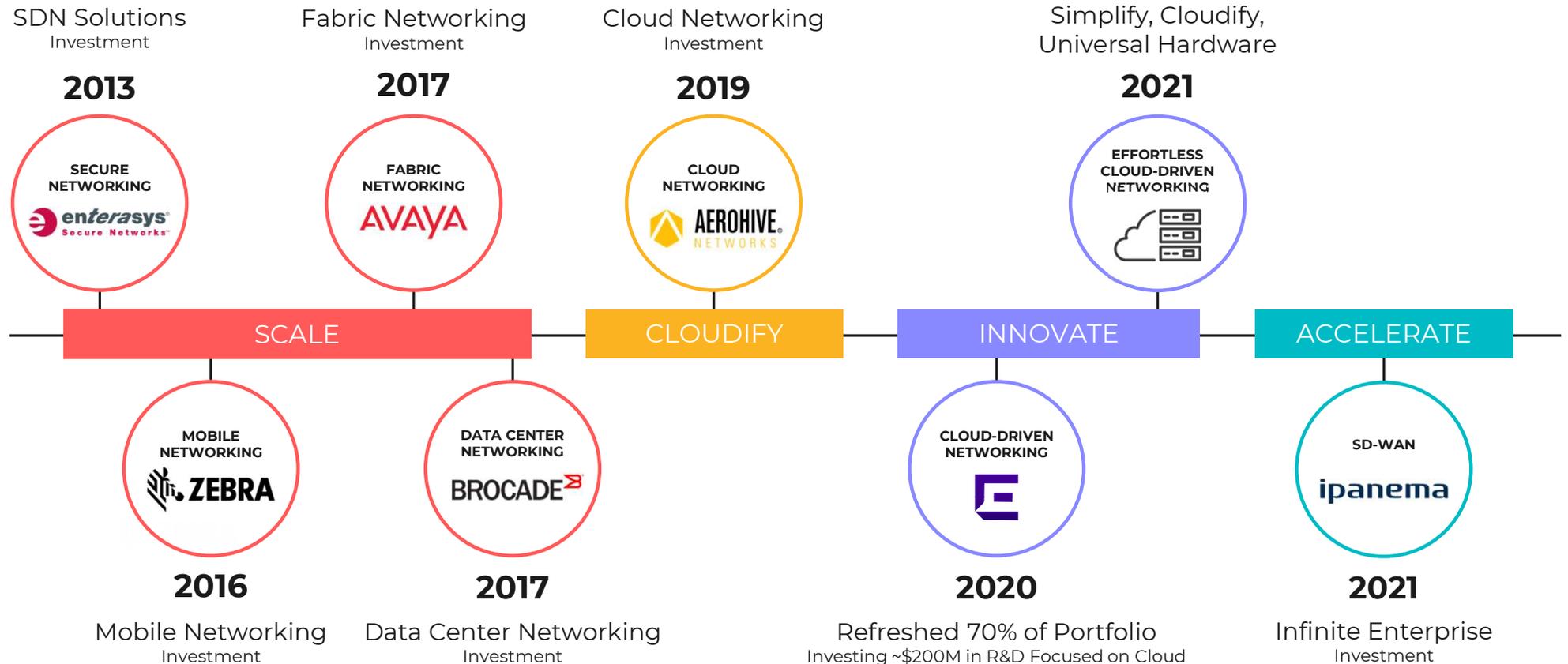
- Proposed €60 million (**approximately \$73m**) an all-cash deal, subject to customary adjustments
- Purchase price is approximately **3x LTM Revenue**



## TIMING AND EXPECTED FINANCIAL IMPACT

- Acquisition is expected to close by the end of **October 2021**, pending regulatory approvals
- Accretive to Revenue and Gross Margins
- FY22 Neutral to Non-GAAP EPS
- FY23 Accretive to Non-GAAP EPS

# Investing for Growth in the Infinite Enterprise Era

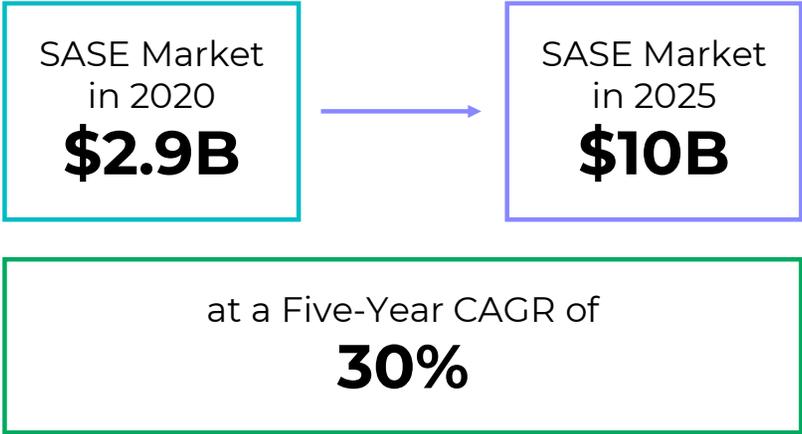
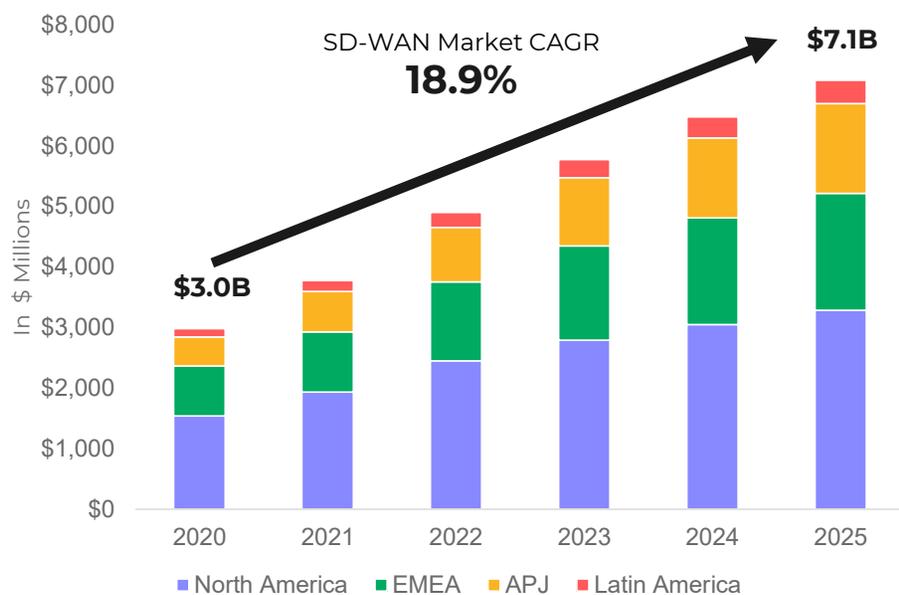


5 \*Note: Acquisition investments reflect public SEC filings, excluding cash

# Expanding into Fast-Growing Cloud-Native WAN Services



**SD-WAN Market 2020 – 2025 Revenue Forecast**



Source: 650 Group Report, February 2021

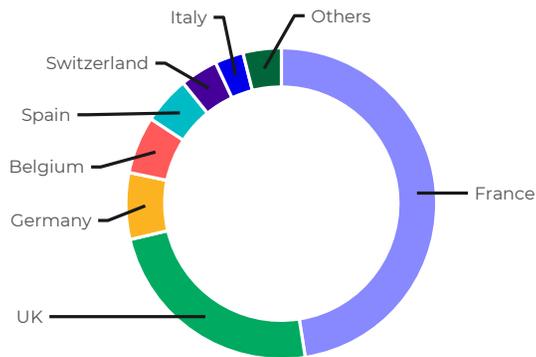
North America SD-WAN Market CAGR <b>16.3%</b>	EMEA SD-WAN Market CAGR <b>18.6%</b>	APJ SD-WAN Market CAGR <b>25.4%</b>	Latin America SD-WAN Market CAGR <b>22.3%</b>
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Source: IDC (Worldwide SD-WAN Infrastructure Market Forecast, 2021-2025), 650 Group

# Ipanema Business Profile



## Strong European Presence



## Top 3 Value Drivers

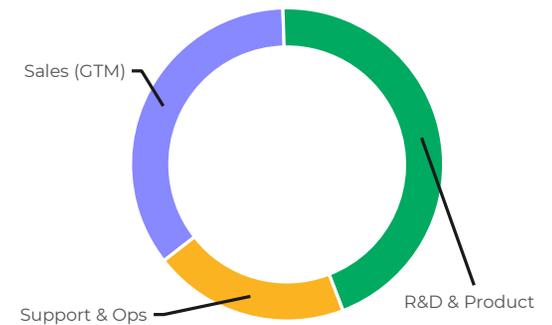
- 1. Accelerates Infinite Enterprise
- 2. Fits with Cloud strategy
- 3. Expands the SaaS Business

## Revenue Profile

Leveraged to market transition in WAN Edge, focused on Mid-Market turnkey SD-WAN solutions via MSPs and partners with >400 customers and >100,000 sites deployed in >25 Countries\*

## ~80 Employees

HQ in France



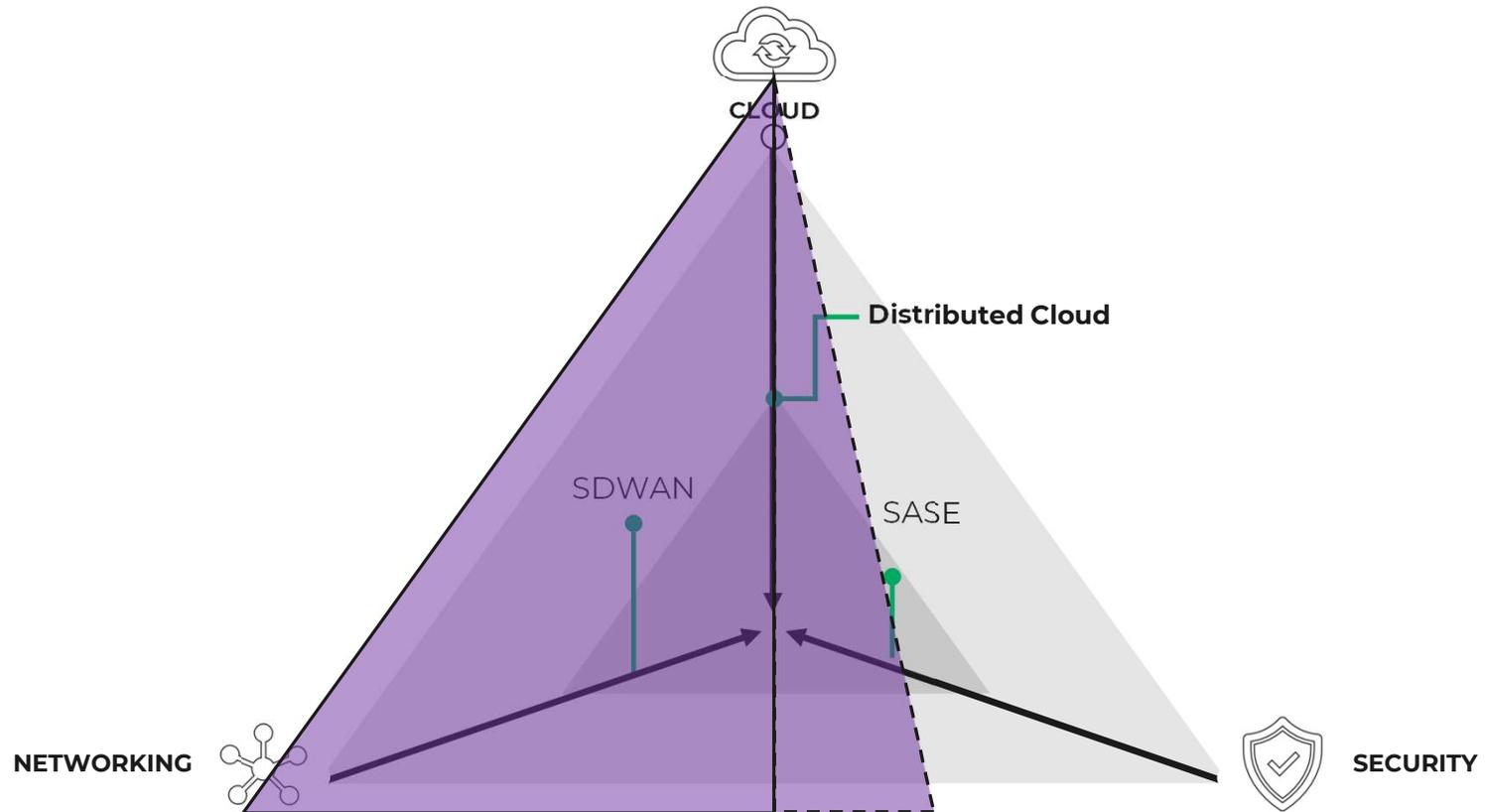
## Top Customers / MSPs



## Transaction Details

€60 Million (\$73M USD)  
Carve-Out

# Market Convergence – Network, Security, and Cloud





## Technology

- Cloud Managed WAN
- Cloud Managed Application Visibility & Control
- SASE Ecosystem Foundation



## Talent

- European R&D Center of Excellence
- Proven Product Leads
- GTM Veterans



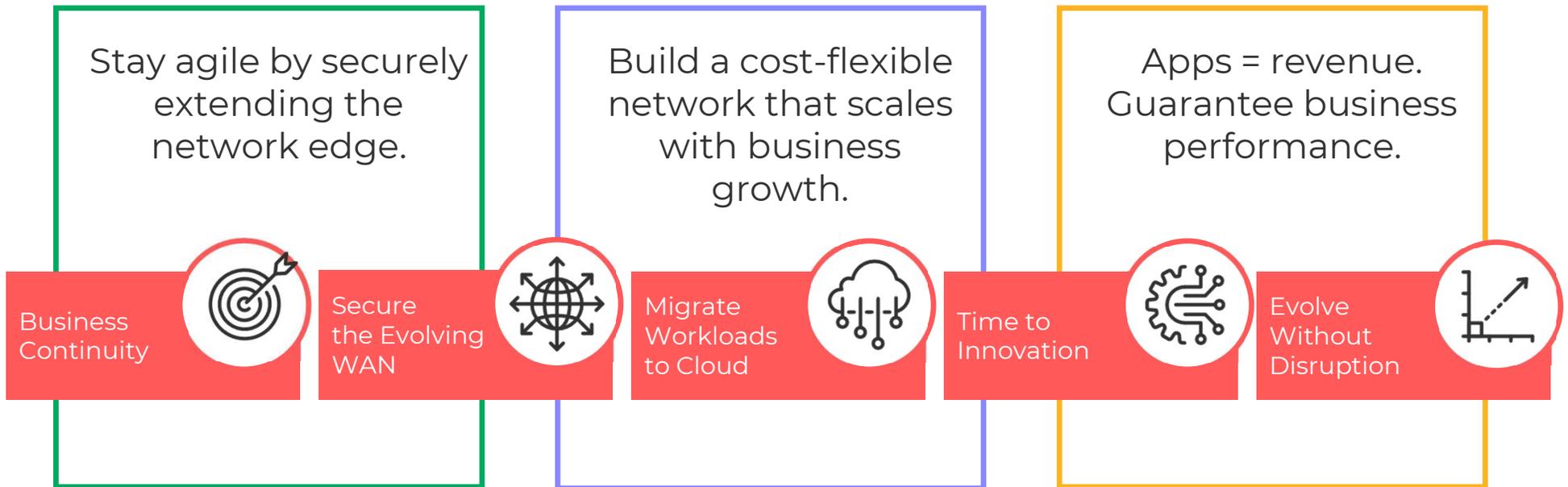
## Market

- Access to Key MSP in EMEA
- Access to Adjacent Markets

# Ipanema SD-WAN



Bringing Security and Control to Infinite Enterprise



# What is Ipanema SD-WAN?



## Frictionless Enterprise WAN Evolution

MPLS → SD-WAN → SASE



## Cloud-Native SD-WAN

Orchestration, Networking Security, MultiCloud Connectivity, and WAN Optimization



## Ipanema Application

Unrivalled Performance Monitoring and Guarantee Toolset



## Full Range of WAN Edge SD-WAN Functionality

Routing and Basic Security Through Zone Based Firewall



## EdgeSentry

Orchestrated, Cloud-Based Advanced Security in Partnership with Checkpoint



## CloudMesh

Low Latency Cloud-based Full-mesh + MultiCloud On-ramp in Partnership with Equinix



## Cloud-First Delivery, Enhanced Agility, and TTM

Cloud Orchestration + EdgeSentry + CloudMesh + Pay-as-You-Go

# Ipanema SD-WAN: Outcome-Driven Business Value



## Global Logistics Leader

Migration to new SD-WAN solution **yielded 50% savings** vs WAN Op for traffic management of cloud apps

## Trade Union

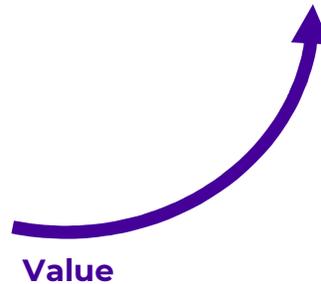
Deploying SD-WAN enabled granular application visibility and control with **50% reduction in IT problem tickets**

## Global Manufacturing Leader

Cost-effective SD-WAN migration **improved performance** for critical WAN apps and protected O365, ERP, and proprietary configuration tool

## UK-Based Retailer

Transformed customer experience at **1,300 stores** to improve customer selling journey through traffic prioritization of applications that **yielded a 40% increase** in customer conversion and satisfaction

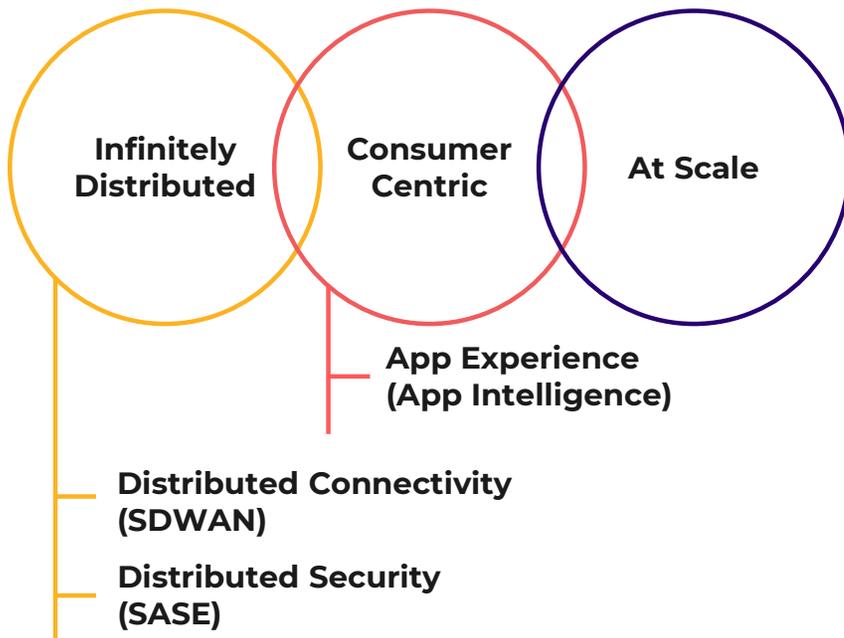


Value

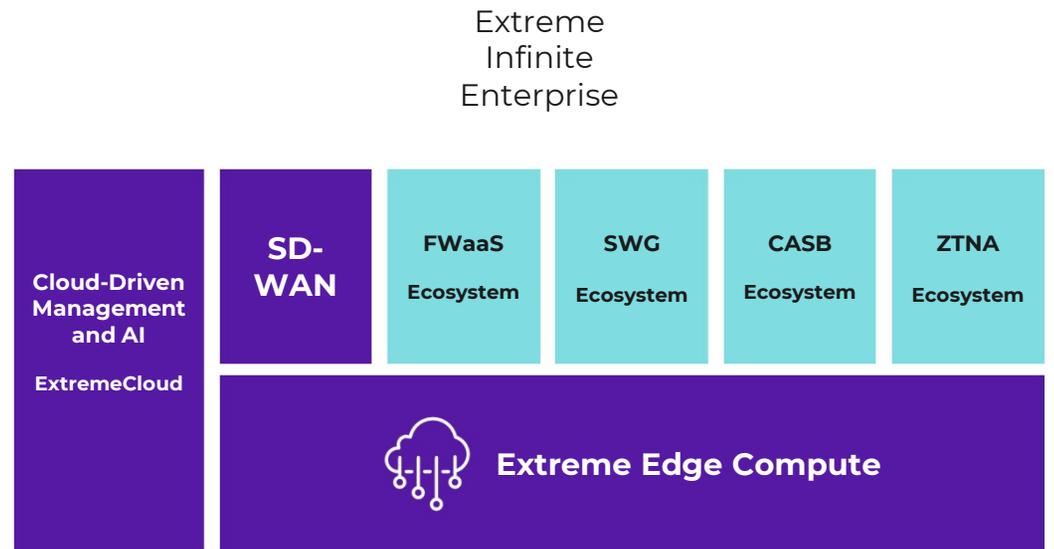
# Acceleration of Infinite Enterprise & Building Blocks of SASE



## Infinite Enterprise



## SASE Ecosystem



# Strengthens Financial Position and Outlook Post Deal



**5-9%**

L-T Revenue Growth CAGR



**25-35%**

L-T Cloud Subscription  
Revenue CAGR



**35%**

Target Software and Services  
Recurring Revenue



**63-65%**

L-T Gross Margin  
Expansion



**15-18%**

Non GAAP Operating  
Margin Target



**11-13%**

Target Free Cash  
Flow % of Revenue

