



INVESTOR DAY



NOVEMBER 7, 2023

OPENING REMARKS

STAN KOVLER

VICE PRESIDENT OF STRATEGY AND INVESTOR RELATIONS

Non-GAAP Measures

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 earnings per share, non-GAAP Gross Margin, non-GAAP Operating Margin, and Free Cash Flow. Extreme Networks, Inc. (the “Company”) believes these non-GAAP measures provide both management and investors with additional insight into its current operations, the trends affecting the Company, the Company’s marketplace performance, and 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. 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. 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 most recent earnings press release dated November 1, 2023, which is posted on the “Investor Relations” section of our website for the required reconciliation to the most comparable GAAP financial measures. Reconciliations for prior quarters are available in the earnings press releases for such previous quarters, also available on the “Investor Relations” section of our website.

Forward-Looking Statements

This presentation contains forward-looking statements including, but not limited to the expected performance and growth, including financial performance of the Company. These forward-looking statements involve a number of risks and uncertainties which could cause actual results and other future events to differ materially from those anticipated by these statements. You should not place undue reliance on forward-looking statements, which are based on current beliefs, assumptions and expectations, and speak only as of the date of this presentation. 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 for the fiscal year ended June 30, 2023, our most recent Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023, and any subsequent filings which are or will be on file with the Securities and Exchange Commission.

Statements during this event may also include discussion of Extreme Networks’ current product roadmap. All product releases will be on a when-and-if available basis. Actual feature development and timing of releases will be at the sole discretion of Extreme Networks. Not all features are supported on all platforms. Presentation of the product roadmap does not create a commitment by Extreme Networks to deliver a specific feature. Contents of this roadmap are subject to change without notice.



TODAY'S AGENDA



8:30 AM – 9:40 AM

Opening Remarks	Stan Kovler	VP of Strategy and Investor Relations
Why We Are Confident	Ed Meyercord	President and CEO
Technology Leadership Driving Share Gains	Nabil Bukhari	Chief Technology Officer & Chief Product Officer
Q&A	Ed Meyercord and Nabil Bukhari	(Moderated by Stan Kovler)
<i>BREAK</i>	<i>10 Minutes</i>	

9:40 AM – 12:00 PM

Go-To-Market Trends and Strategy	Joe Vitalone	Chief Revenue Officer
Customer and Consultant – Panel Discussion	Norman Rice	Chief Operating Officer
Financials	Kevin Rhodes	Chief Financial Officer
Q&A, Wrap Up	All Executives	(Moderated by Stan Kovler)
<i>LUNCH</i>	<i>11:00 AM</i>	
<i>EVENT CONCLUDES</i>	<i>12:00 PM</i>	



WHY WE ARE CONFIDENT

ED MEYERCORD

PRESIDENT AND CEO



INVESTOR DAY



NOVEMBER 7, 2023

OVERVIEW

- Navigating Current Environment
- Increasing Market Share
- Winning Customers
- New Growth Opportunities
- Attractive Financial Model



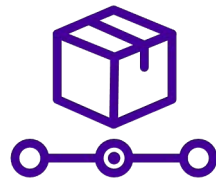
NAVIGATING CURRENT MARKET ENVIRONMENT



- Customer and Channel Digestion
- Increasing Sales Cycles
- Networking was Being Prioritized



- Europe Slowdown
- Macroeconomics



- Run Rate Business Slower to Return
- Easing Supply Chain

DELIVERING FOR OUR CUSTOMERS



Solution of the Year

ExtremeCloud™ IQ CoPilot Named 2023 Globee® Award Winner for IT



Solution of the Year

ExtremeCloud™ IQ Named Cloud Infrastructure Solution of the Year in 2023



6x Consecutive Customers' Choice

2023 Gartner Peer Insights™ Customers' Choice for Enterprise Wired and Wireless LAN



5x Consecutive Leader

Gartner® Magic Quadrant™ for Enterprise Wired and Wireless LAN



Best Place to Work

Recognized as One of the Best Places to Work in the Triangle



GROWING MINDSHARE AND MARKETSHARE

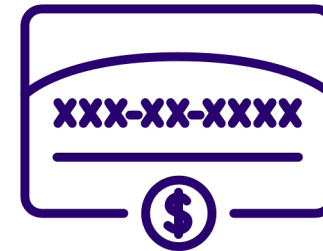
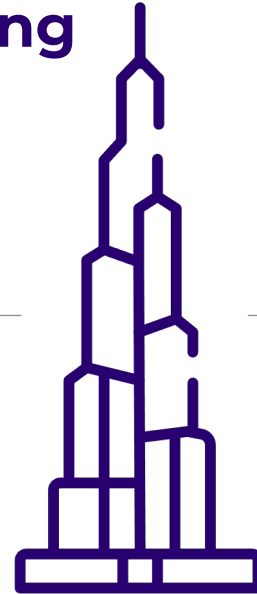


Largest Stock Exchange in the World

NYSE

Tallest Building in the World

BURJ KHALIFA

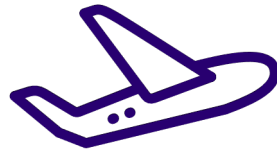


Collecting Social Security

GOVT AGENCY

Flying in the U.S.

FEDERAL AVIATION ADMINISTRATION

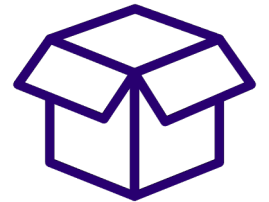


Smart Cities

BORAS STAD, SWEDEN
MILWAUKEE, WI
MEMPHIS, TN

Receiving a Package

FEDEX



Oldest Public University in the U.S.

UNC CHAPEL HILL

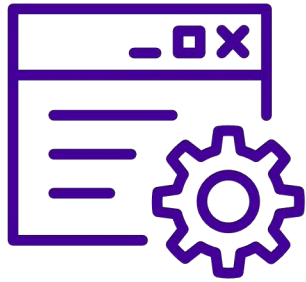


Events at World Class Venues

CITI FIELD, OLD TRAFFORD, LAMBEAU FIELD, WRIGLEY FIELD, LA COLISEUM, FENWAY PARK, DAYTONA SPEEDWAY



WHAT CUSTOMERS WANT: NEW WAYS, BETTER OUTCOMES



SIMPLICITY



FLEXIBILITY



INSIGHTS



OUR DIFFERENTIATION



RETAIL: SIMPLIFIED MANAGEMENT, EASY TO DEPLOY



New Way

- Simplified management (XIQ)
- Secure/easy to deploy across multiple locations (Fabric)
- Automate key processes and tasks (CoPilot)



Outcomes

- Operational efficiency 800+ locations
- Faster to deploy in stores
- Analytics help optimize the shopping experience



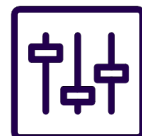
Opportunity

- SD-WAN for consistent performance at POS
- Process automation (sensors, electronic shelf labeling)



Cisco Fatigue

- 30-year history with Cisco and Aruba
- Cost and complexity wore them down
- 824 retail and grocery stores in S. America



Why Extreme?

- One Cloud: visibility + control (XIQ)
- One Network: link all facilities centrally (Fabric)
- Upgrade at their pace (Universal Switching and licensing)

Better Outcomes

- Simplified network management
- Improved/modernized patient care
- More productive IT and clinical staff
- Flexible network for future M&A

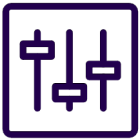
Opportunity

- 7-year contract
- Construction of new facility
- Migration to full Extreme = *Fabric, Universal Switching, Wi-Fi 6E, Cloud IQ*

HPE/Aruba Takeout

- Lack of central management
- Aruba APs, Cisco switches
- Cyber incident in 2021 – no visibility into the network

VAIL RESORTS®



Why Extreme?

- Expansion requires simplified network ops
- XIQ manages old & new infrastructure
- Simple migration now & in the future



Better Outcomes

- Improved guest experiences
- M&A without cost constraints
- Simplified network management



Opportunity

- 40+ resorts under management
- Significant expansion and upsell opportunity



Cisco Takeout

- DNA and switching became too costly
- Security was an issue between resorts
- No scale

EXTREME IS TAKING SHARE – LTM



20% YoY REVENUE GROWTH



175 CUSTOMERS OVER \$1M



\$364M RECURRING REVENUE (up 8% YoY)



\$141M IN SaaS ARR (up 30% YoY)

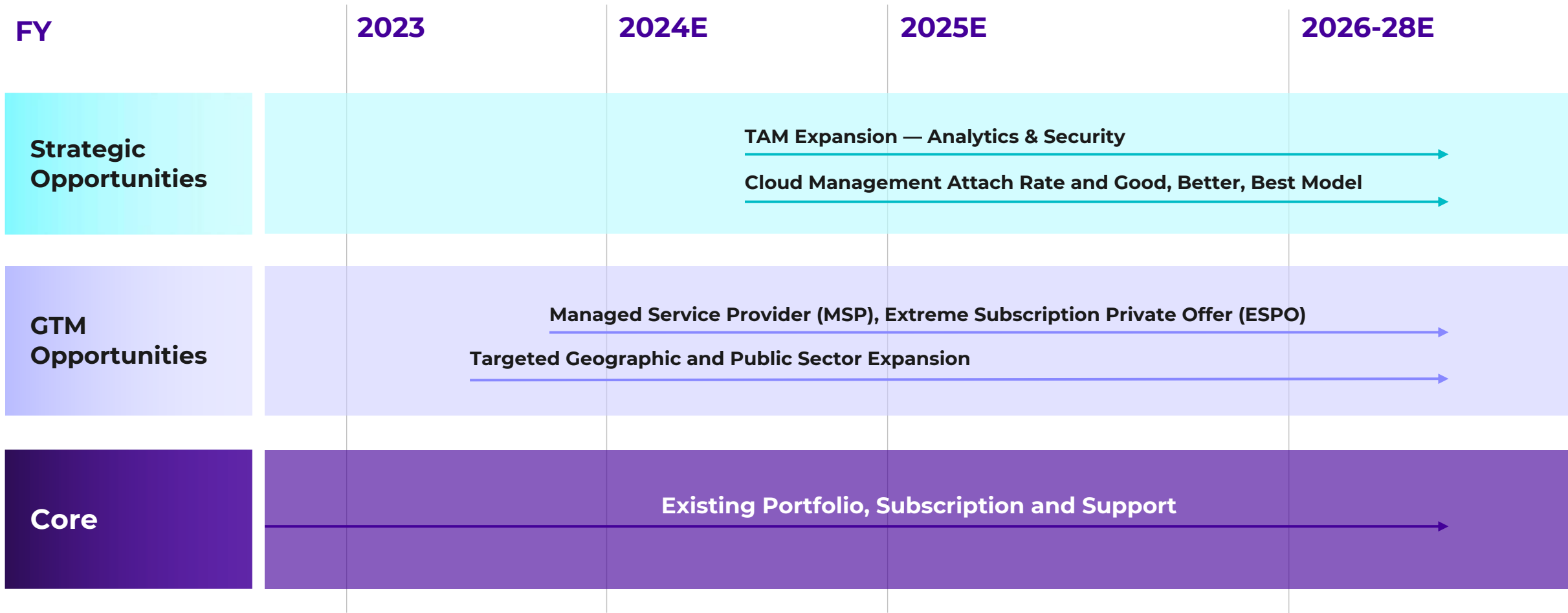


112% GROWTH IN CASH FLOW

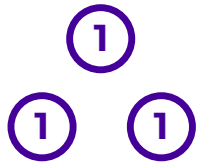
**REVENUE
\$1.4B**



FOCUSED GROWTH OPPORTUNITIES NOW AND INTO THE FUTURE



KEY TAKEAWAYS



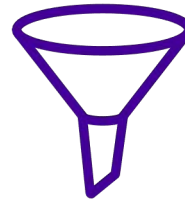
DIFFERENTIATED SOLUTIONS

Enables us to capture share



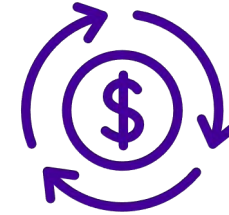
CUSTOMER WINS

Reinforces our market leadership



CONTINUE TO BUILD FUNNEL

Creates new opportunities



MEANINGFUL GROWTH OPPORTUNITIES

Positions us for long-term success



ATTRACTIVE FINANCIAL PROFILE

Committed to long-term double-digit growth and improving profitability

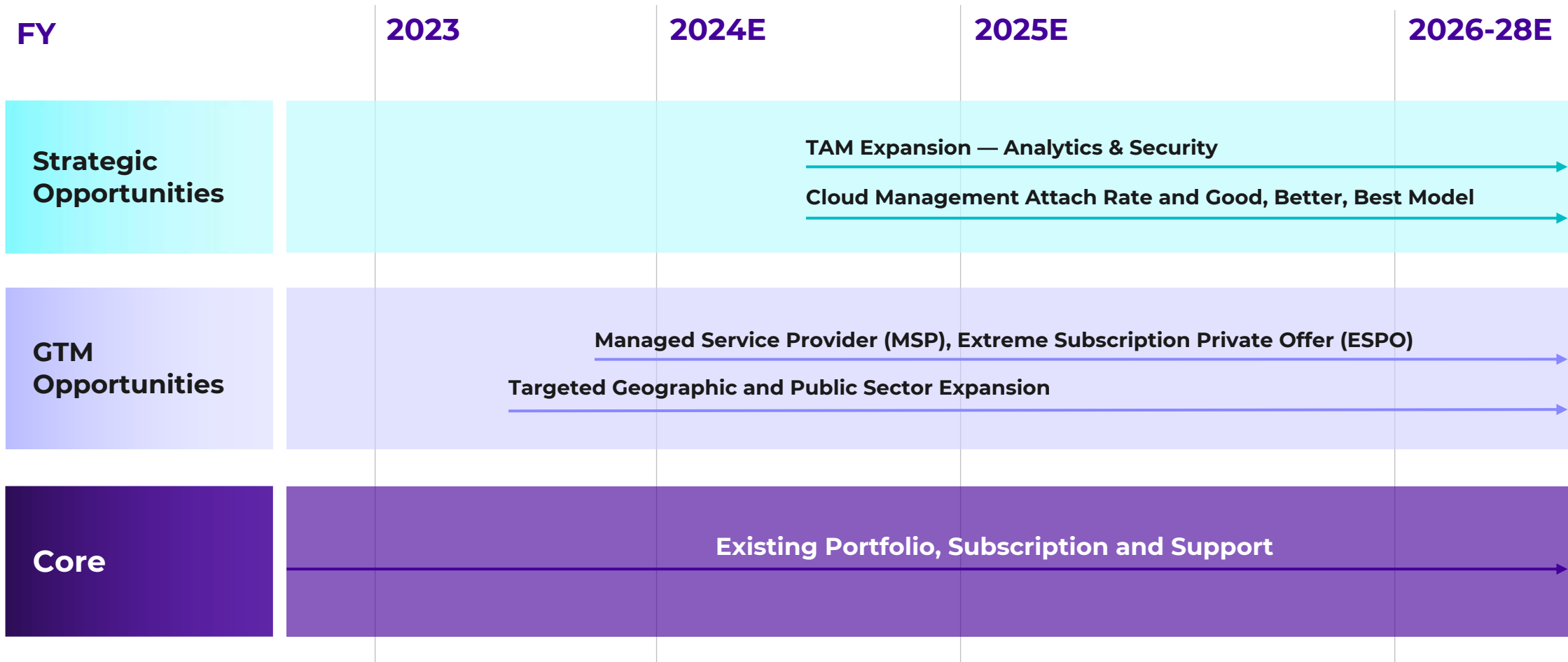


TECHNOLOGY LEADERSHIP DRIVING SHARE GAINS

NABIL BUKHARI

CHIEF TECHNOLOGY OFFICER AND CHIEF PRODUCT OFFICER

FOCUSED GROWTH OPPORTUNITIES NOW AND INTO THE FUTURE



CORE BUSINESS

EXECUTING IN OUR CORE MARKET



100%

Universal Platforms
Coverage

30%

Y/Y Subscription ARR
Growth

65%

Device Unit Attach
Subscription Rate

~80%

Universal Portfolio
Contribution

20%

Y/Y Subscription XIQ
Pilot ACV Growth

>2.5M

Connected Devices

Source: Company Reports

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ONE NETWORK, ONE CLOUD, ONE EXTREME



1 Cloud



1 Network



Universal Wired



Universal Wireless



SD-WAN



Enterprise Fabric

1 Extreme



Universal Licensing



Ecosystem



Services



Capital

BUILDING ON TECHNOLOGY LEADERSHIP



1 Network

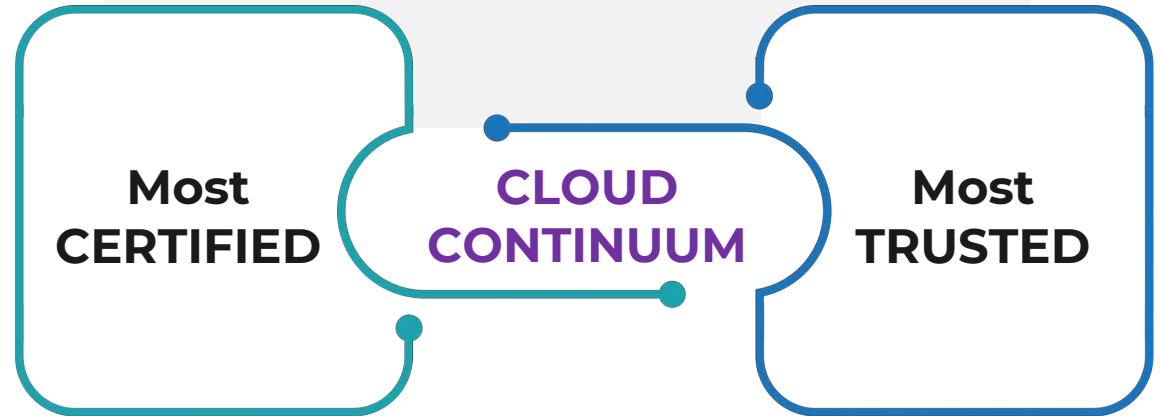
1 Cloud



Universal
Platforms



Enterprise
Fabric



مركز دبي التجاري العالمي
DUBAI WORLD TRADE CENTRE



JAPANGOV
THE GOVERNMENT OF JAPAN



STRATEGIC OPPORTUNITIES

CONTINUED GROWTH OF SUBSCRIPTION ARR



Leading with Cloud

- Cloud Management Subscription for All Enterprise Products
- Continuous capabilities through cloud attach
- Starting with Universal Switching 4000 and Universal Wi-Fi 7

Good, Better, Best

- Industry first – single subscription, cloud applications & device support
- Simplified customer journey through activation, upsell, renewal for cloud applications and support

TAM Expansion

- Building on the success of ExtremeCloud platform
- Introducing ExtremeCloud Universal ZTNA and ExtremeCloud Business Insights



One Cloud Application

Universal Policy & Universal Enforcement

Networks

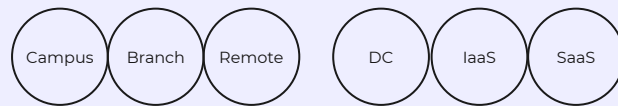
Secure Connectivity across the Enterprise



Wired **Wireless** **SDWAN**

Users

All Users All Applications



Data

Protect and Monitor Access to Sensitive Data



- Blends best of NAC and ZTNA
- Single policy engine and a single UX
- Identity-based access for remote and on-prem
- Plugs gap in ZTNA for comprehensive IoT access control
- Cloud-managed APs and switches configured with security policies

Anywhere-to-Anywhere Access Security Across the Entire Enterprise



FOR ENTERPRISES

- User location and flow dynamics improve physical operations
- Application usage analysis help enhance network performance or enforce policies
- Bi-directional data feeds enable event correlation and predictive analytics

FOR VENUES

Location intelligence and crowd flow dynamics

Sports betting versus illegal data scouting

Real-time views for in-depth comparative analysis



TAYLOR SWIFT
THE ERAS TOUR



ARTIFICIAL INTELLIGENCE

THROUGHOUT EXTREMECLOUD

Extreme Virtual Advisor

CoPilot
203,635
Connected
Devices

Delivered (Last 12 Months)

- Proactive Network Anomaly Detection (Wired & Wireless)
- Client Connectivity Experience
- Instant GTAC case creation
- Flexible licensing

Upcoming Capabilities

- Self-service Trials
- 1 click remediation
- Additional use cases
- Expand to entire enterprise portfolio

**Public
Data**

Chat with Information

Contextual advice regarding product specs, config problems and troubleshooting

**Private
Data**

Chat with Network Data

Advice regarding network performance, root cause analytics and optimization

**Ecosystem
Data**

Chat with Enterprise Data

Advises on Business Insights and workflow optimizations

**Digital Twin – Expanding to rest of network,
intersecting with AI**



GTM OPPORTUNITIES

\$28B
Managed
LAN/WLAN

KEY POINTS

- **Single subscription** with management and support
- **Consumption billing** to reduce transaction cost
- **Innovative cloud-based** MSP management platform to reduce operational cost
- **Entire portfolio** available through the MSP program

netnordic 

STEP_{CG}

CMS
CMS IT-Consulting GmbH

(•_•) netprotocol


ConvergeOne

 Telia
Company

DATAKOM



Continual Margin Pressure

+

Incumbent Fatigue

=

Massive Opportunity in a \$15+ Billion TAM

\$15+ Billion Larger Enterprise LAN / WLAN Service Obtainable Market

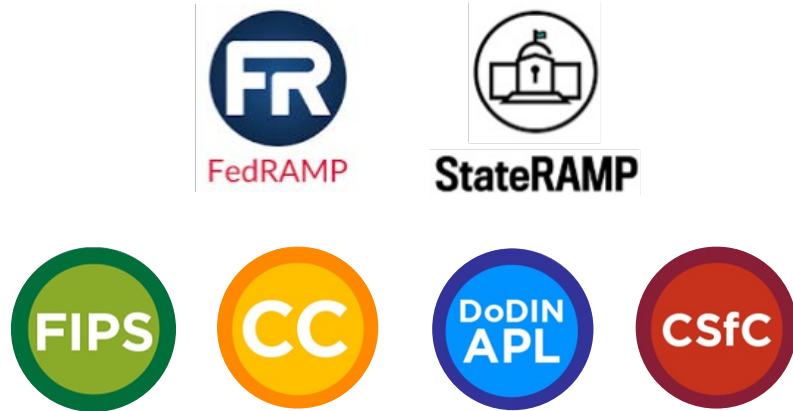


REGULATED INDUSTRIES MARKET OPPORTUNITY



Global Campus LAN / WLAN TAM of \$15B TAM (\$5B in North America)

SECURITY CERTIFICATIONS



GLOBAL CUSTOMER REFERENCES



KEY TAKEAWAYS



BEST TECHNOLOGY

Enables us to
capture share



INNOVATIVE LICENSING & PACKAGING

Enables us to create
opportunities



MEANINGFUL GROWTH INITIATIVES

Positions us for
long-term success



HOW ARE WE WINNING

JOE VITALONE
CHIEF REVENUE OFFICER

~17% ↑

Avg Deal Size

**Double-Digit
Y/Y Growth**

New Funnel Created
LTM

>800+

New Active Partners
added in FY23

85%

Partners Sell “Full
Stack” Solutions

**Double-Digit
Y/Y Growth**

\$1M Deal Value

19%

New Logos

Source: Company Reports



NEAR-TERM ACTIONS WE ARE TAKING



**FUNNEL IS
IMPROVING**



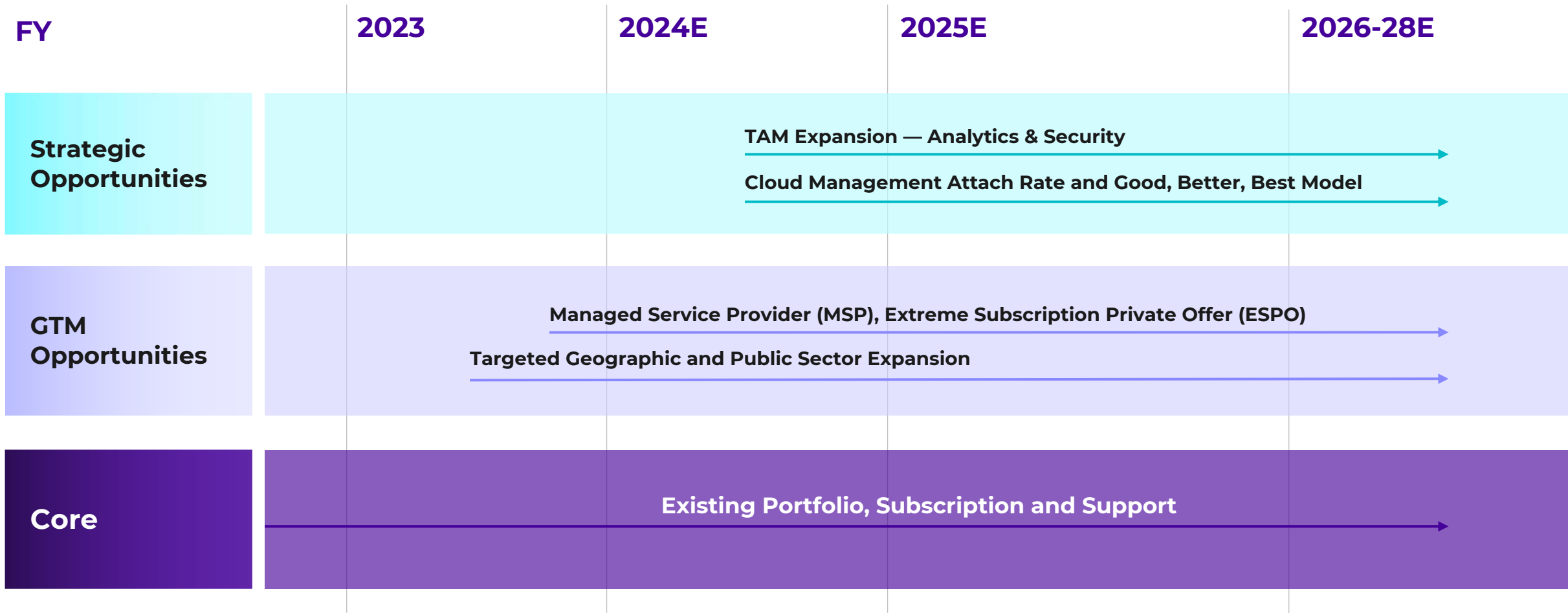
**SALES
ENABLEMENT**



**NEW CHANNELS /
NEW LOGOS**



FOCUSED GROWTH OPPORTUNITIES NOW AND INTO THE FUTURE



IGNITING THE CHANNEL



SUCCESS BEGETS SUCCESS



CUSTOMER WINS

Reinforces our market leadership



NEW ROUTES TO MARKET

Expands obtainable market



GROWING FUNNEL

Creates new opportunities





NORMAN RICE
Chief Operating Officer



JONATHAN YOUNG
Vice President





NORMAN RICE

Chief Operating Officer



MICHAEL RESTUCCIA

SVP & CIO



Penn Medicine



CHRIS GOLIER

GVP, Global Innovation



LONG-TERM FINANCIAL MODEL

KEVIN RHODES
CHIEF FINANCIAL OFFICER



INVESTOR DAY



NOVEMBER 7, 2023

OVERVIEW

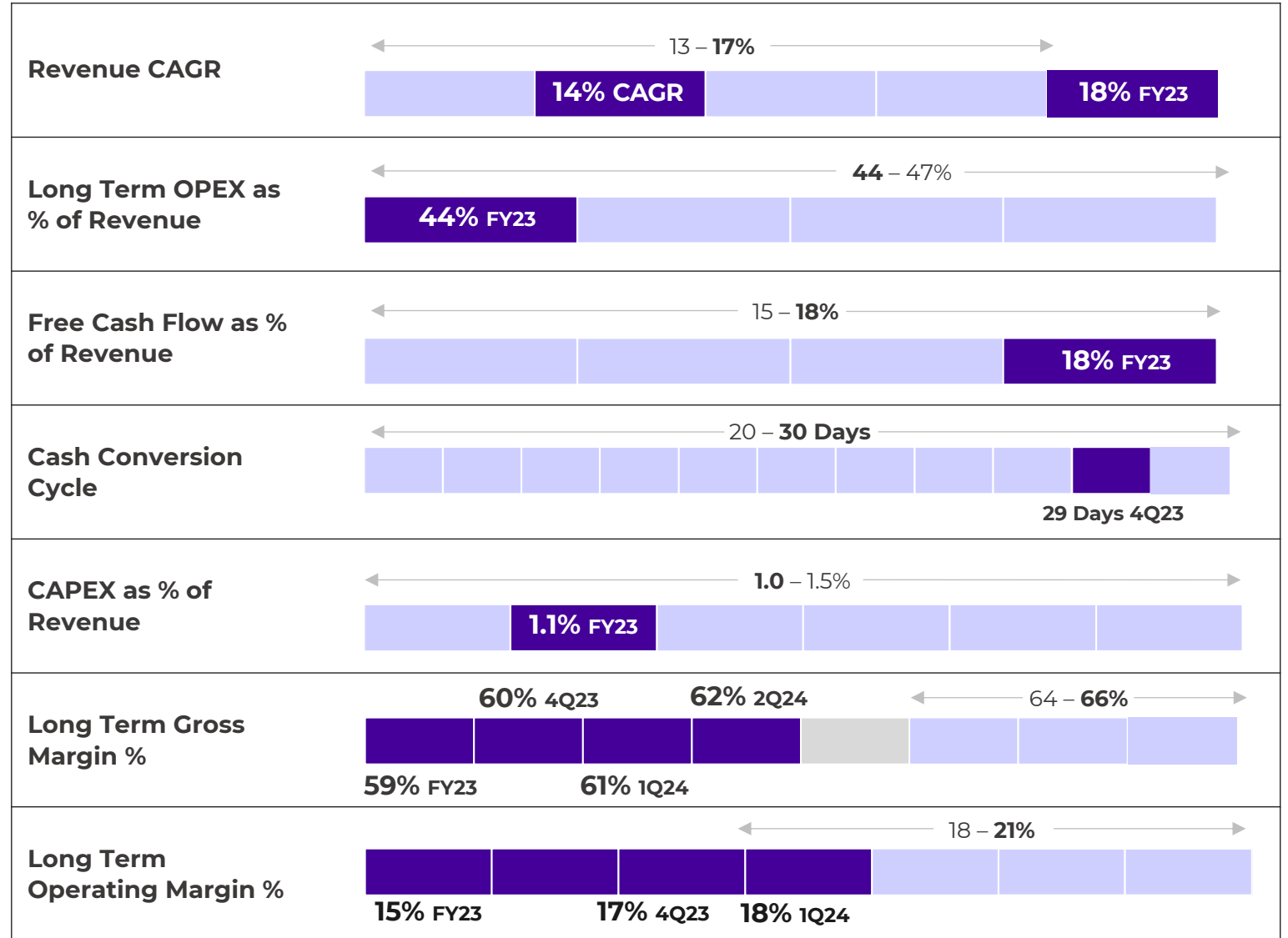
- A Look Back
- Revenue, Margin Expansion and EPS Growth
- Recurring Business Focus
- Generating Strong Cash Flow
- Attractive Financial Model



PROGRESS TO DATE

Achieved Revenue, OpEx, and Cash goals in FY23

Achieving expected expansion of Gross Margin and Operating Margin

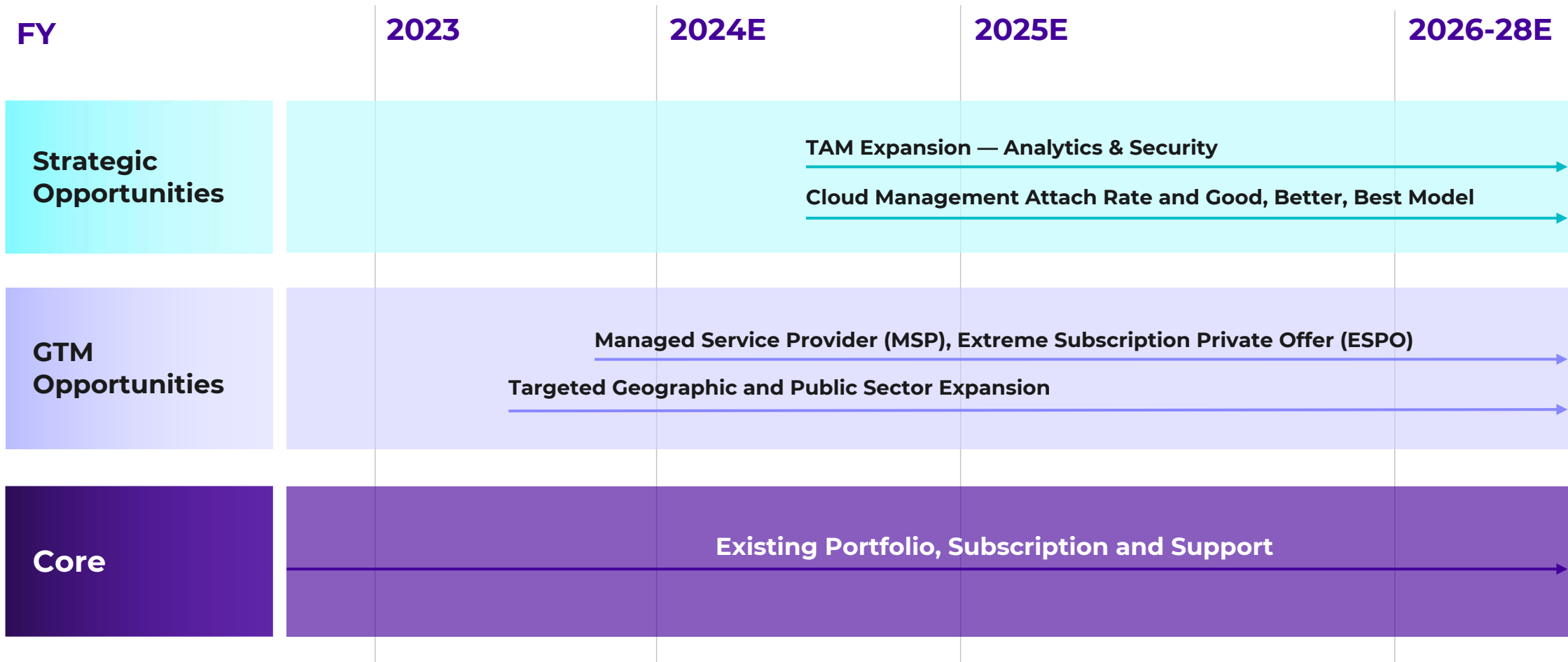


Guidance Range for FY22 – FY25, Announced May 2022

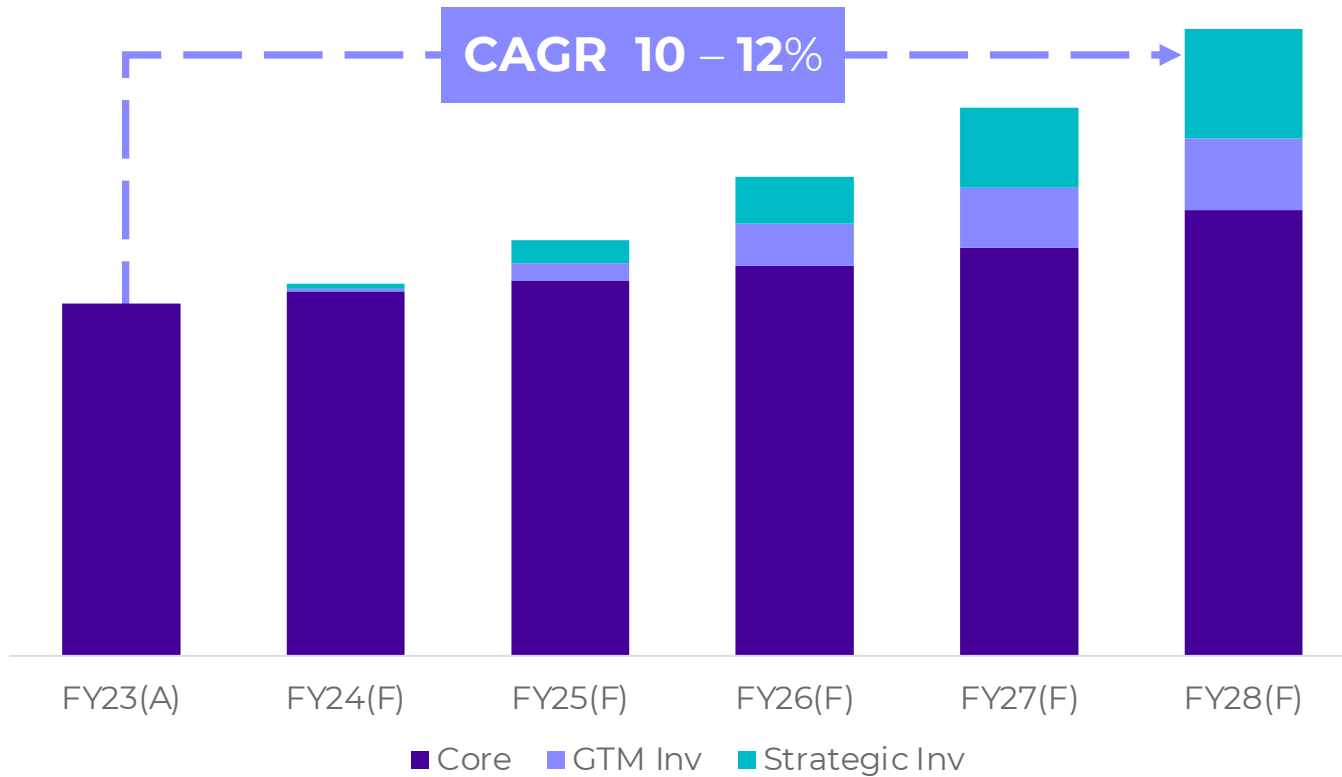
Results



FOCUSED GROWTH OPPORTUNITIES NOW AND INTO THE FUTURE



STRATEGIC AND GO TO MARKET INVESTMENTS DRIVING GROWTH



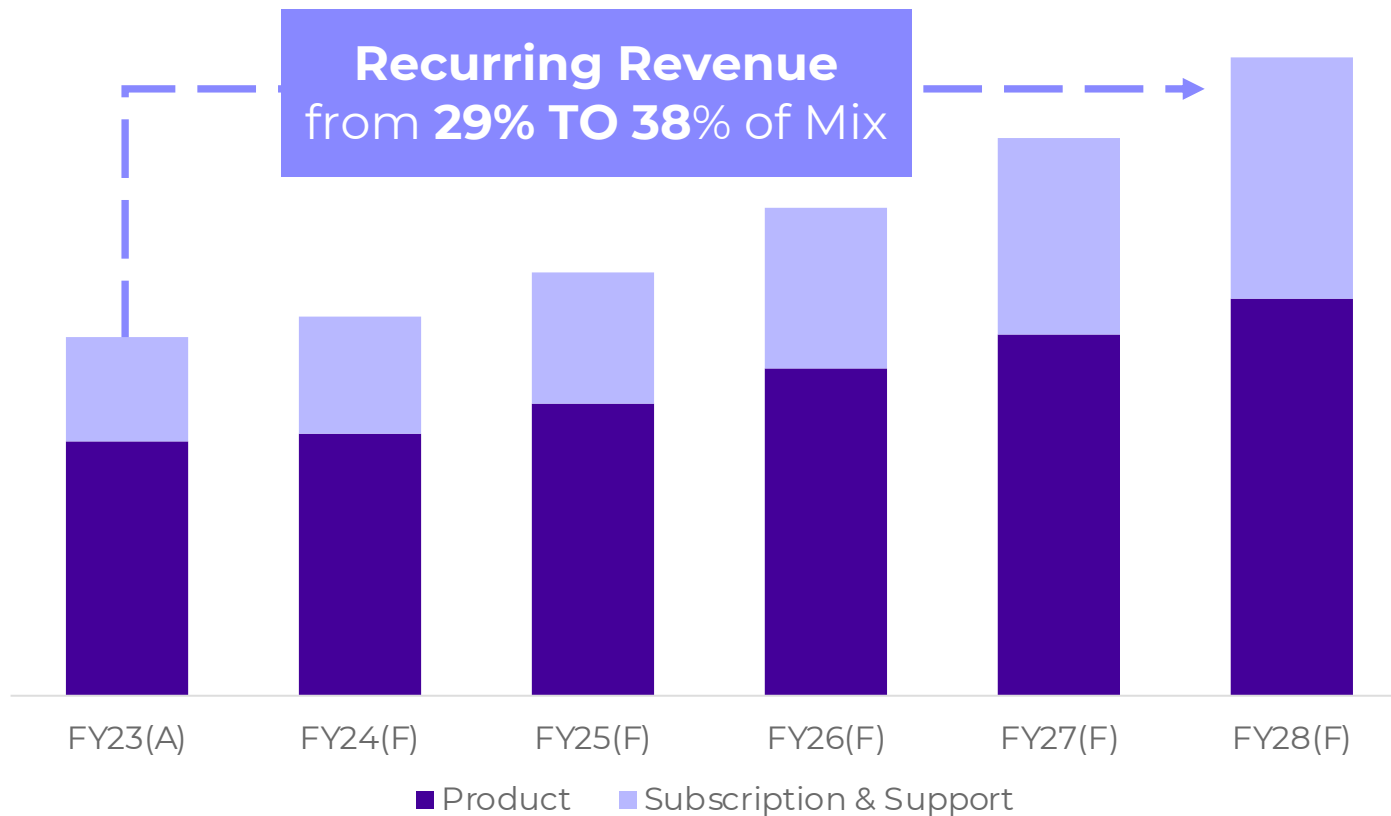
Revenue Growth Targets

Product
7-9%

Subscription
and Support
16-18%



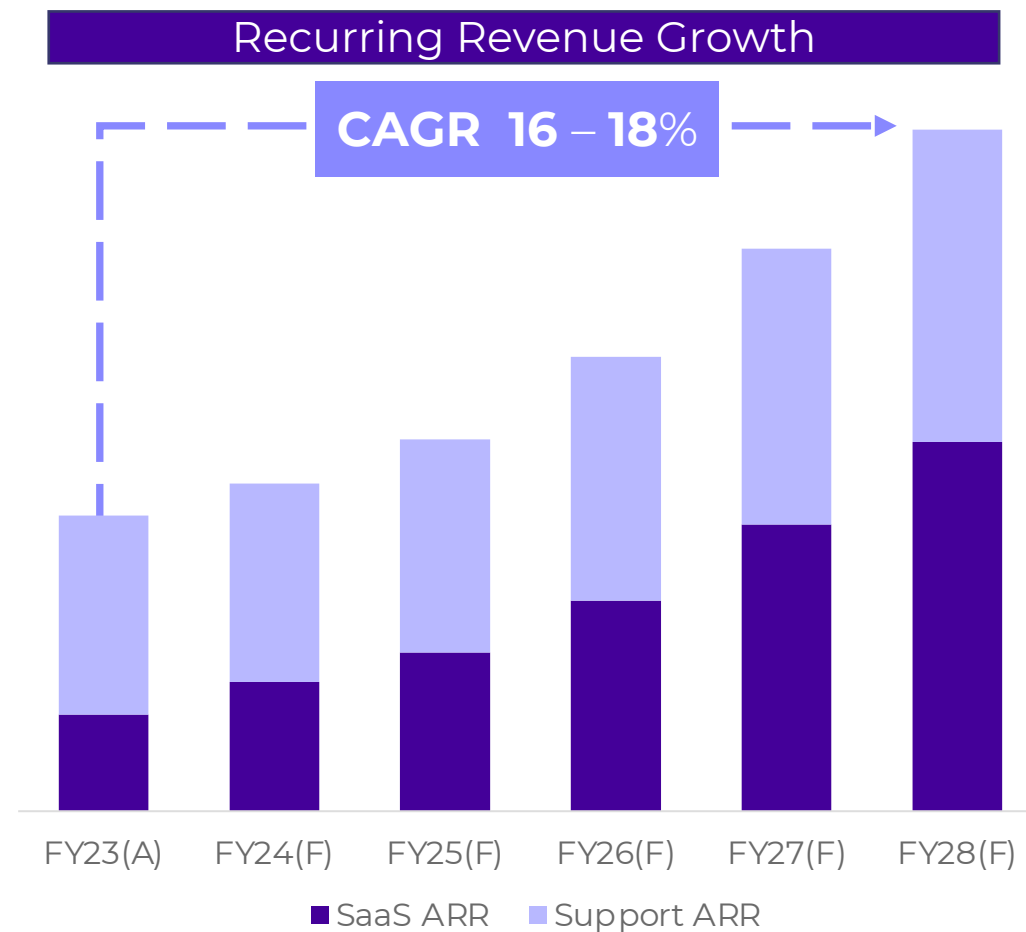
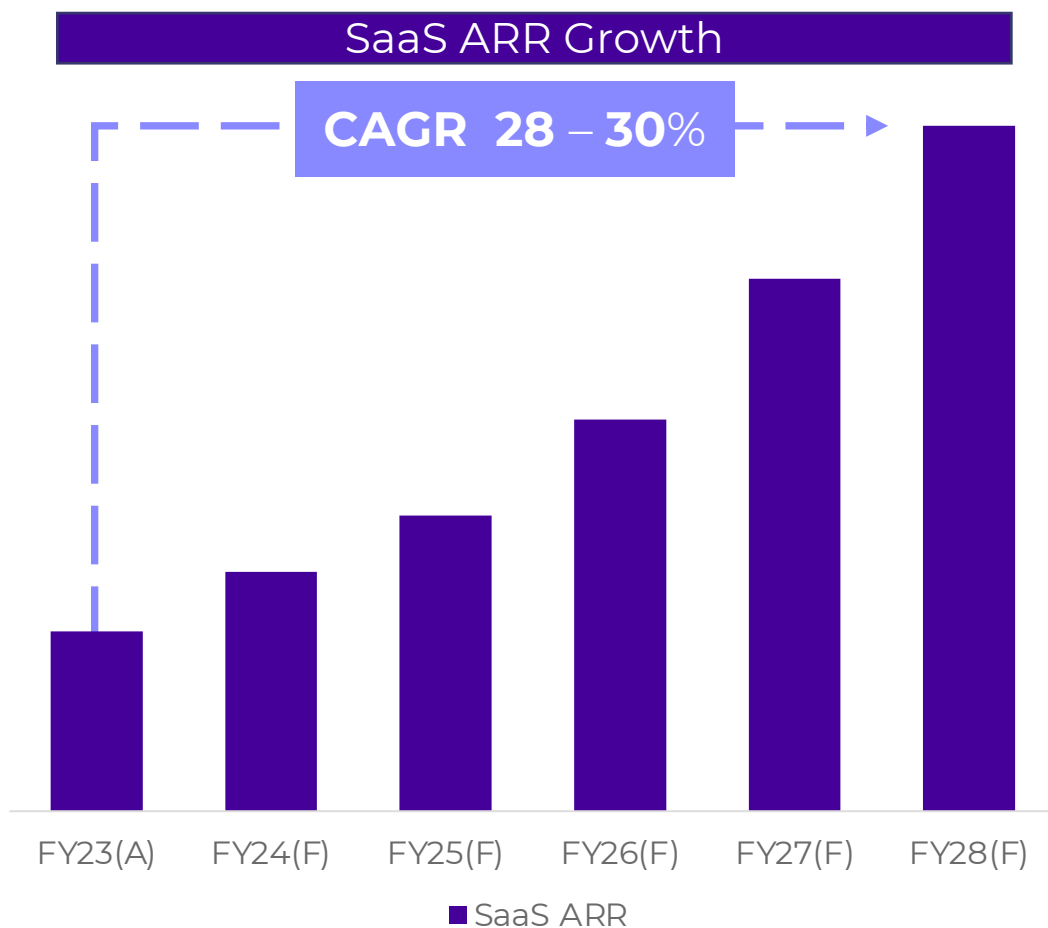
ANNUAL RECURRING REVENUE IS INCREASING



Recurring revenue expands from 29% of total revenue in FY23 to 38% of total revenue in FY28



ANNUAL RECURRING REVENUE GROWTH



¹Extreme uses SaaS annual recurring revenue ("SaaS ARR") to identify the annual recurring revenue of ExtremeCloud™ IQ (XIQ) and other subscription revenue, based on the annualized value of quarterly subscription revenue and term-based licenses. We believe that SaaS ARR is an important metric because it is driven by our ability to acquire new customers and to maintain and expand our relationship with existing customers. SaaS ARR should be viewed independently of revenue or deferred revenue accounted under U.S. GAAP. SaaS ARR does not have a standardized meaning and therefore may not be comparable to similarly titled measures presented by other companies. SaaS ARR is not intended to be a replacement for forecasts of revenue.



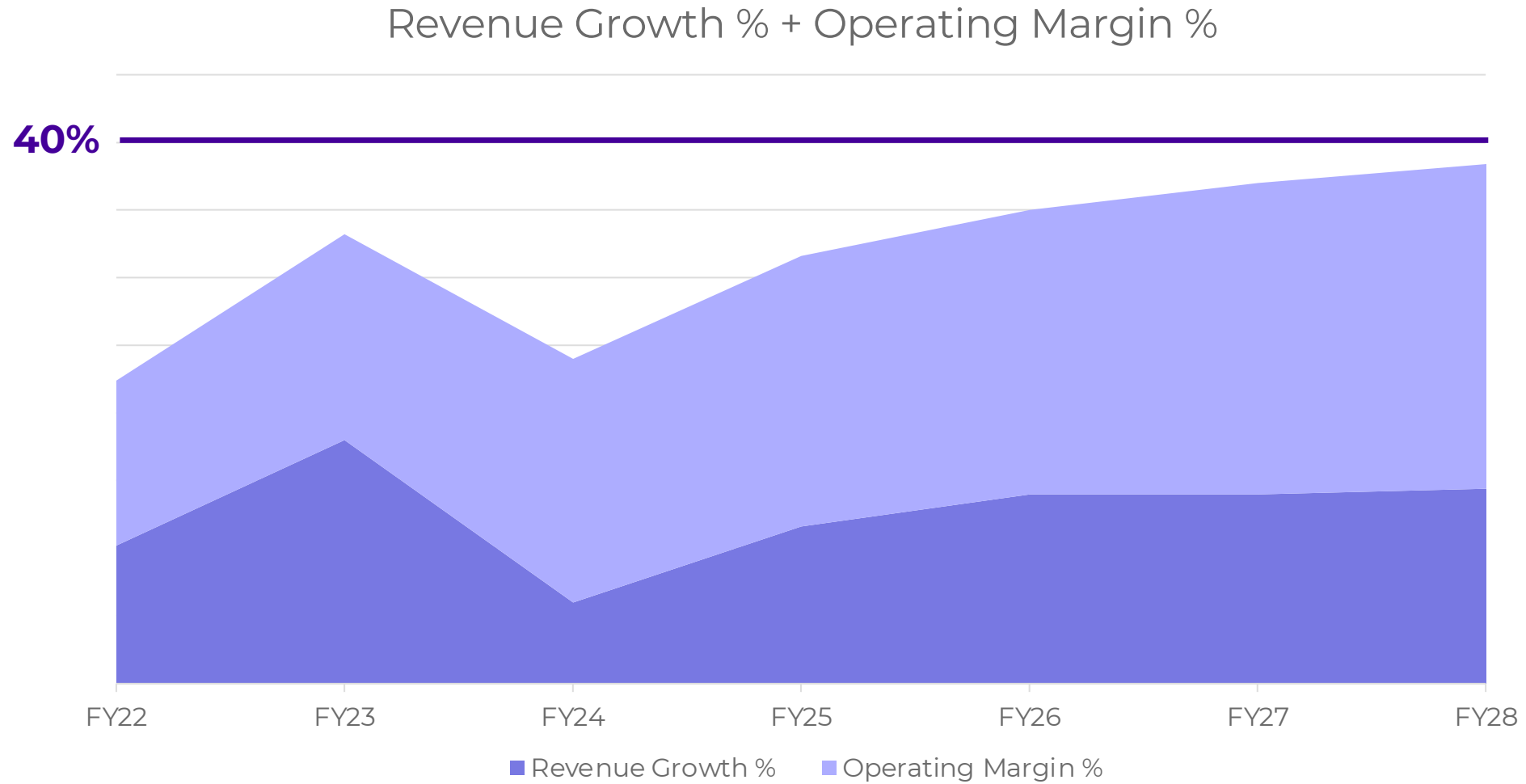
STRONG OUTLOOK FOR OPERATING LEVERAGE



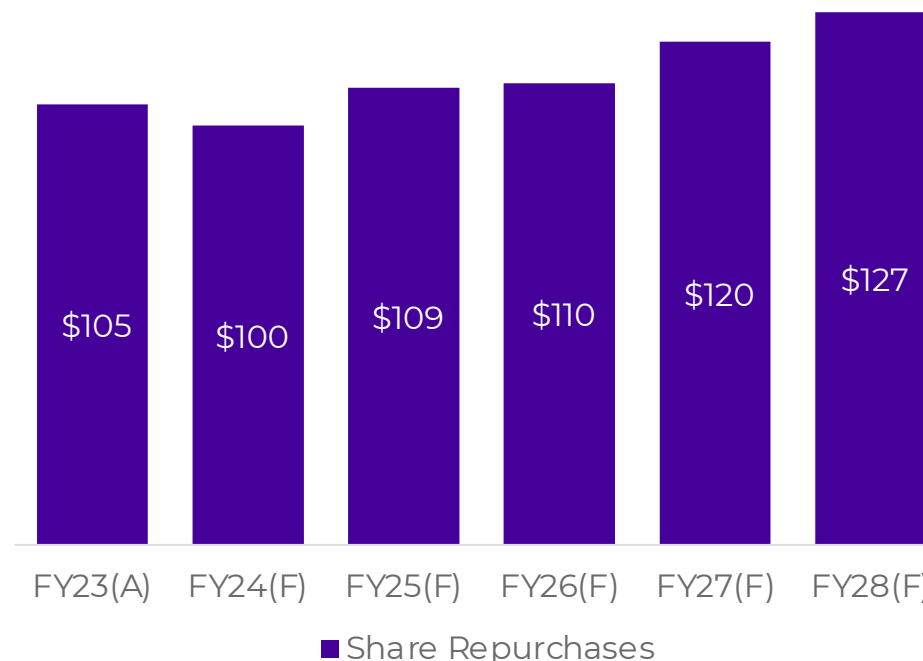
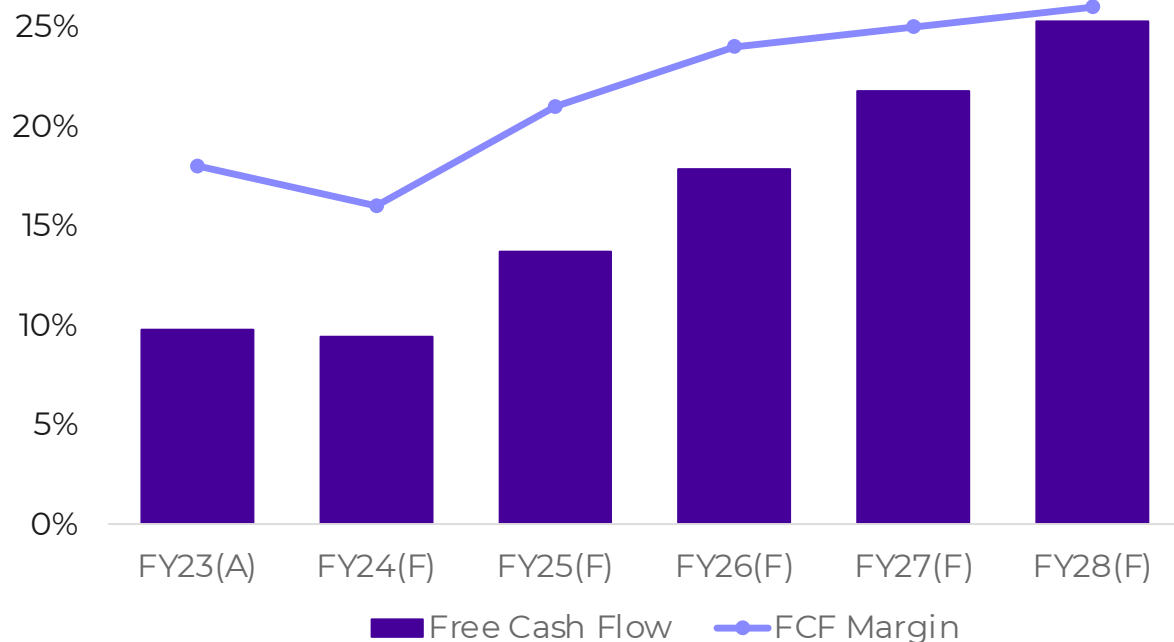
	COMMENTARY	LONG-TERM TARGET
Gross Margin	<ul style="list-style-type: none">• Supply chain cost improvement• Mix shift to higher margin subscription	64 – 66%
Research and Development	<ul style="list-style-type: none">• R&D investments in new products and services• Software features and functionality	14 – 16%
Sales and Marketing	<ul style="list-style-type: none">• Investment in Federal, SLED, APAC, LATAM	22 – 23%
General and Administrative	<ul style="list-style-type: none">• Continue to drive efficiencies	3 – 4%
	NON-GAAP OPERATING MARGIN	23 – 25%



APPROACHING THE RULE OF 40



GENERATING STRONG FREE CASH FLOW AND USE OF CASH



45% of FY23 free cash flow used for share buybacks

Free Cash Flow = Extreme uses the non-GAAP free cash flow metric as a measure of operating performance. Free cash flow represents GAAP net cash provided by operating activities, less purchases of property, plant and equipment.

FCF Margin = Free Cash Flow / Revenue

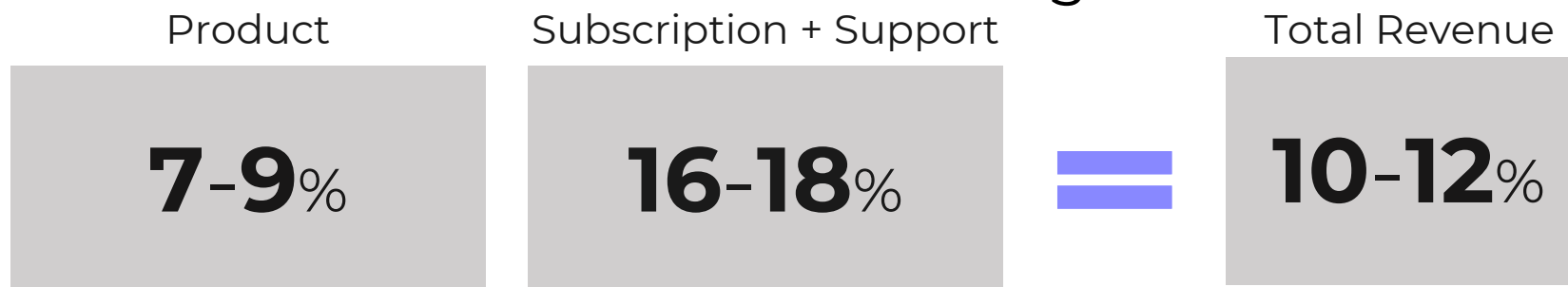
Assumes we maintain same debt structure, share buyback offsets stock-based compensation, no M&A activity



ATTRACTIVE LONG-TERM MODEL TARGETS



Revenue Growth Targets



Margins

Gross Margin

64-66%

OPEX % of Rev

39-43%

OP Margin

23-25%

FCF* % of Rev

20-25%

Cash Drivers

CCC (Days)

30-40

CAPEX % of Rev

1.0-1.5%

Driving Double-Digit Non-GAAP EPS CAGR

*FCF: Free Cash Flow as defined in our external communications (i.e., cash flow from operations less CAPEX)





THANK YOU



NOVEMBER 7, 2023